

Tension high for Liberal elections

By SARAH HONIG
Post Political Reporter
TEL AVIV.—The Liberal Party will choose its leader this afternoon and its candidates for the Likud Knesset list. Tension is high and it is not known what will happen when one of the major factions loses the battle for leadership. (See related story, page 2)

The leadership position — which will give the winner the second slot on the Likud list — is being sought by party president Yitzhak Moda'i, Justice Minister Moshe Nisim and Knesset Speaker Menahem Savidor.

Moda'i is claiming the position by

virtue of his status in the party, but all ministers and powerbrokers, with the exception of Agriculture Minister Pessah Grupper, oppose him. Liberal insiders fear Moda'i's reaction should he lose. They believe an irreparable rift in the party could not be ruled out in that case.

Nisim, who is being backed by the rest of the ministers against Moda'i, claims the leadership since in the past two internal Liberal elections, he won more votes than any other party member.

Savidor said yesterday he is seeking the position because he thinks that "the Liberal Party ought to be

(Continued on back page)

Benvenisti report published in U.S.:

Labour victory would make no difference on West Bank

By WOLF BLITZER
Jerusalem Post Correspondent
WASHINGTON.—A Labour victory in Israel's July elections is unlikely to result in a significant change in West Bank settlement development, according to a new study released yesterday by the American Enterprise Institute, a Washington think tank.

The 97-page study, directed by Jerusalem's former deputy mayor Meron Benvenisti, concluded that 17 years of Israeli presence on the West Bank have created a situation which makes Labour's vision of a "territorial compromise" obsolete.

"In the event that a Labour-led coalition is formed or a Labour-centred coalition wins national elections," Benvenisti said in his concluding chapter, "we may expect a change in style — an avoidance of extreme religious and historical claims — but not in substance. In fact, a Labour victory would probably set off a new wave of settlers who would insist on going to the West Bank for ideological reasons."

Benvenisti added: "In view of the

momentum for establishing the (suburban-oriented) settlements and the pressure that would arise if a new government tried to stop them, the major formula of a freeze on settlements and territorial compromise, which many think is the key to renewed peace efforts, would not produce practical results, even if it were finally uttered by a more moderate government."

Benvenisti, who has spent nearly two years heading the Jerusalem-based West Bank Data Project, said that "for all practical purposes, the annexation of the West Bank and the Gaza Strip now seems only a matter of time."

In releasing the study at the American Enterprise Institute, Benvenisti said he still favoured a "two-state" solution — Israel alongside a new Palestinian state. But he was extremely gloomy about any solution getting off the ground under existing circumstances on the West Bank.

The only hope for a settlement, he

(Continued on back page)

Orgad shifts responsibility for bank balance sheets

Jerusalem Post Staff
Finance Minister Yigal Cohen-Orgad yesterday transferred to the Bank of Israel the responsibility for deciding whether to aid the commercial banks in their bid to show "better" balance sheets.

The first of these balance sheets, that of the small Union Bank, appeared yesterday, and showed a large adjusted loss.

With the balance sheets of larger banks, including Leumi, Hapoalim, Discount and Mizrahi due to appear in the next few days, Cohen-Orgad decided not to reimburse the commercial banks for their advances on account of corporate taxes. This means that losses amounting to some \$60 million will be borne by the banking system.

At the same time Cohen-Orgad requested that central bank Governor Moshe Mandelbaum return to the banks some \$20 million they paid penalties for exceeding lending limits last year.

The Union Bank balance sheet was in keeping with expectations that the commercial banks would

show poor results for 1983, particularly in comparison with the large profits achieved by the banks in previous years.

Mizrahi is due to publish its 1983 balance sheet today.

Treasury officials had declared early this week that a meeting on the issue between ministry and Bank of Israel officials would take place yesterday. But no meeting was held, and the only development was Cohen-Orgad's transfer of responsibility for the issue to Mandelbaum.

Bank officials yesterday told *The Jerusalem Post* that a legal question is involved, since a retroactive change in liquidity regulations would be a very complicated matter.

Union Bank pre-tax operating profits, in nominal terms, rose by only 8 per cent, to IS755.5 million. When adjusted for inflation this figure is reversed into a IS732m. loss.

Net profits grew 46 per cent, to IS 710m., but this result was conditional on the return of almost IS215m. of taxes which the bank claims to have overpaid in advances during the year.

\$1 on black market=IS200

Post Economic Reporter
Black market money traders yesterday took some IS200 per dollar as demand for foreign currency continued to grow.

At the same time, the rapid devaluation in the official rate of the shekel continued. The dollar was sold officially yesterday at IS177.40, 1.7 per cent higher than Thursday. Since the beginning of the month there has been a 15 per cent devaluation of the shekel.

Sources at the Bank of Israel linked the latest developments to the large monetary injections by the government. The sources said that given such large amounts of money printed, no one should be surprised by the demand for foreign currency.

Economic observers yesterday told *The Jerusalem Post* that in April the Treasury pumped sums approaching IS40 billion into the economy. This explains the recent developments in the foreign currency market, they said.

New Mexico lawman held here for 22 days, then released

By ROBERT ROSENBERG
Jerusalem Post Reporter
A New Mexico lawman, of Arab origin, was released yesterday from Ramle Prison after 22 days in Israeli custody. While in custody, on suspicion of association with a hostile organization, Mike Darwish Mansour, deputy sheriff of Albuquerque, suffered a mild heart attack and, according to sources close to him, was badly treated.

Sources close to the case said Mansour, a 35-year-old jeweller born in a village near Ramallah and since 1963 a resident of New Mexico, was arrested following a "tip-off" from a West Bank villager jealous of Mansour's wealth. Mansour was not charged and yesterday was preparing to leave the country.

His story, say sources in Jerusalem, is similar to several other cases in recent years when it ap-

peared that "there was a clear lack of communication between the military government in the West Bank and the more politically sensitive" officials who might have prevented Israel embarrassment in the U.S.

Since Mansour's arrest on April 2, the governor, the senior senator and two congressmen from New Mexico have been in contact directly with the Foreign Ministry in Jerusalem, the Israel Embassy in Washington and the U.S. Embassy in Israel.

Newspaper reports in Albuquerque have alleged that the Israeli authorities withheld medical treatment from Mansour, and his case has been brought up in State Department briefings in Washington.

The facts as *The Jerusalem Post* learned from several sources, are as follows: Mansour made a private business trip to Beirut in 1976, to purchase gold for his jewelry business. While there he was contacted by an organization calling itself The Holy Land Mission, who told him that they provided welfare services for refugees. He contributed \$100, and for the next two years sent them \$100 a year. He also carried back to the U.S. some letters for the organization.

This spring, he arrived in Israel to visit his dying mother at Dir Dabwan near Ramallah. A few days before his planned departure he was arrested.

The U.S. consulate in Jerusalem was eventually informed because they are responsible for the West Bank.

On three occasions, consular officials were allowed to visit Mansour, who at one point told consul



President Chaim Herzog, Labour Party chairman Shimon Peres and Prime Minister Yitzhak Shamir yesterday share a platform at Mimouna festivities in Tel Aviv's Hayarkon Park. (Story — Page 3)

Beirut truce observers deploy

BEIRUT (AP).—Truce observers began deploying in disputed areas of Beirut's demarcation line yesterday to complete the final phase of a disengagement plan held up for several hours by persistent gunbattles along the Green Line.

The deployment of the last disengagement units got under way after a four-party security committee succeeded in halting daylong duels, which saw scores of grenades and a few mortar shells slamming into residential neighbourhoods along the five-kilometre Green Line separating Beirut into Moslem and Christian sectors. Two persons were killed and seven wounded, according to police reports.

The committee, which groups representatives of the Lebanese Army and rival Druze, Christian and Shi'ite Moslem militias, announced after a morning session that police disengagement units and observers would deploy in buffer zones around the Primo building and the Ring

Road after disputes over the two areas had been resolved.

But machinegun, rocket-propelled grenade and mortar exchanges continued along the Green Line, holding up the deployment.

The gunbattles, which tapered off at dusk, were the lengthiest since the disengagement process was set in motion last Thursday with the deployment of police units and Lebanese Army draftees and retired officers in buffer zones between Lebanon's civil war combatants.

Yesterday's flareup began at mid-morning when truce observers stationed close to the disputed areas came under sniper fire.

Meanwhile, President Amin Gemayel continued consultations with various politicians to form a government of "national unity," agreed upon in Damascus during summit talks with Syrian President Hafez Assad last week.

Syria has been the main backer of the Lebanese opposition and Gemayel was reportedly promised

that Assad would exert pressure on the Lebanese president's opponents to join the half-Christian and half-Moslem cabinet.

Former Lebanese prime minister Rashid Karami, a Sunni Moslem politician from the northern Lebanese city of Tripoli, is widely expected to head the new government.

Karami, 62, is a supporter of the Lebanese opposition. He met in Damascus with Assad for five hours on Monday and emerged to say: "We will not plant mines in the way," implying the opposition has agreed to join the new government intended to introduce reforms to give Christians and Moslems an equal share of power.

Government sources said the new prime minister would be named this week and the cabinet would "probably" be formed officially as early as next week. It would replace the current caretaker government headed by Prime Minister Shafik Wazzan.

Britain deports Gaddafi's representative

LONDON (AP).—Britain yesterday deported the leader of a four-member revolutionary student committee which took over the Libyan Embassy last February and reportedly ordered bombing attacks on opponents of Libyan leader Col. Muammar Gaddafi.

The Home Office said Abdul Ghadir Baghdadi, 34, Gaddafi's personal representative in Britain, was put on an afternoon flight to the Libyan capital, Tripoli.

Another member of the student committee, Salah Ibrahim Mabruk, 26, was deported on Monday.

Baghdadi and Mabruk were not in the embassy last Tuesday when a gunman fired from a window on demonstrators, killing a policeman and triggering a police siege of the building. (Photo page 4)

British newspapers, quoting Libyan exiles, say the revolutionary student committee, which took over

the embassy with Gaddafi's blessing, ordered a bombing wave in Britain last March in which 26 people were injured.

As the siege of the Libyan Embassy entered its second week yesterday, Britain said three Libyan officials were being allowed into Britain to smooth the departure of their holed-up compatriots by Sunday's deadline.

Eight other Libyans who flew in yesterday were detained at London's Heathrow Airport for questioning, a Home Office spokesman said. One was refused entry as an "unsatisfactory student."

The Foreign Office identified the three Libyan officials coming to help with the evacuation as Col. Abd-al-Rahman Shaibi, Nasir Ashur and Ahmed Said. The spokesman originally said only two officials were coming and no explanation was given for the addition.

The *Times* of London reported "a fierce dispute" in the besieged embassy between hardliners who want to remain until they receive direct orders from Gaddafi and moderates who insist a telex received Sunday from the foreign liaison bureau in Tripoli gave them authority to leave. A Foreign Office spokesman said: "We know nothing of the reported dispute."

Cobra, the government crisis committee, met yesterday to plan for the evacuation and Home Secretary Leon Brittan then briefed Prime Minister Margaret Thatcher at her 10 Downing St. office.

"I stress that they can go anytime they want, provided they comply with the details of arrangements which are perfectly simple," Brittan said. "Similarly, of course, our people in Libya, under the Vienna Convention, clearly have the right to leave the country at any time that suits them before Sunday."

Reagan seeking support for opposing Soviet expansionism

HONOLULU (AP).—President Ronald Reagan, leaving yesterday for Guam and the final stop before he travels to China tomorrow, said his trip is aimed at building support for opposing the Soviet Union's "expansionist aggression."

"We journey to China in a spirit of peace and friendship, realistic about our differences, but desiring to build upon our common interests," said Reagan in a prepared departure statement.

The U.S., he said, will work with its friends, including China, to "make the world safer, by working for peace and jointly opposing expansionist aggression. That is what our trip to China is all about."

While he did not name the Soviet

Union, it was clear his references to aggression reflected growing concern in Washington over a Soviet military buildup in the Pacific region.

Reagan said his trip "symbolizes the maturing of the United States' relationship with China," giving credit to former presidents Richard Nixon, Gerald Ford and Jimmy Carter for initiating the process.

Meanwhile, officials said it was virtually certain Reagan would be able to sign an agreement in Peking on nuclear cooperation between the U.S. and China, which would clear the way for American businesses to sell nuclear power equipment to the Peking government.

Police, who have ringed the elegant 18th-century embassy building on St. James's Square in the heart of London, said "the vast majority of office staff" working in the besieged square were led to work yesterday for the first time in a week.

On Sunday, Britain broke relations with Gaddafi's regime and ordered the London Embassy staff out of the country by midnight April 29.

Meanwhile, the Soviet Communist Party daily *Pravda* said the shooting outside the Libyan Embassy in London last week appeared to have been planned in advance by Britain and the U.S.

In its first commentary on the affair, the newspaper criticized Britain for breaking off diplomatic relations with Libya and implied that it had been looking for a pretext to take action against Tripoli for some time.

Shamir and U.S. playing down Syrian threat

By WOLF BLITZER
and Reuters
U.S. officials in Washington yesterday joined Prime Minister Yitzhak Shamir in playing down the prospects of any imminent outbreak of hostilities between Israel and Syria. But Shamir expressed concern at recent Syrian statements that the Middle East was on the verge of conflict.

The U.S. officials said they generally agreed with the assessment put forward by Shamir in an interview with Reuters.

Thus, the Americans are not taking all that seriously the heightened rhetoric coming from the official Syrian news media which in recent days have warned of a U.S.-Israeli pre-emptive strike.

U.S. analysts believe that the rhetoric should be seen as largely "wrapped up in Syria's internal problems" — an apparent reference to the reported jockeying already under way in Damascus for eventual succession to ailing Syrian President Hafez Assad.

According to the Americans, however, Assad is still very cautious and will avoid any rash moves which might draw an Israeli response.

The U.S. assessment is that Israel, too, is anxious to avoid another full-scale round of fighting with the Syrians. "The Syrians are not looking for a clash," a U.S. official said, adding: "Neither is Israel."

Meanwhile, the Americans are gearing up for talks tomorrow and Friday with the visiting Foreign Ministry director-general David Kimche. The focus is expected to be on U.S.-Israeli cooperation in Central America, Africa and elsewhere in the Third World. But other matters are also likely to arise, including the immediate threat from Syria.

In the interview with Reuters, Shamir said there was "a large chance that nothing will happen in the near future."

The prime minister said Israel had no explanation for a series of Syrian statements warning that war was near.

"From our side, we do not have any intention of any military operations," said Shamir.

"We do not see anything visible (on the ground) on the part of the Syrians but this trend of publishing one statement after another that there is a danger of war, is a reason for concern."

"I cannot imagine what is the reason for it," he added.

Israel has denied it is building up its forces in Lebanon's Bekaa Valley. "I am not concerned by the situation on the ground because I know the situation," Shamir said.

He added that because of past experience — Israel and Syria have fought five times since 1948 — the Israeli army had to be vigilant.

Asked whether this year's elections in Israel and the U.S. had brought Middle East peace efforts to a halt, the prime minister said a long period of stability was needed to establish a climate of confidence in the region.

Shamir said Israel was handing over some security tasks to the South Lebanese Army, the Israeli-backed force set up by the late Major Sa'ad Haddad.

"They're taking care of security in large areas... They're doing well," he added.

The force, whose present strength is put at between 2,000 and 3,000, has been enlarged and improved in training and equipment.

"We hope that in the near future they will be able to solve the questions of security in this area," Shamir said.

Foreign Ministry says:

Reports of Israeli arms for Nicaragua rebels 'baseless'

Post Diplomatic Correspondent
The Foreign Ministry yesterday issued a categorical denial of what it termed "baseless rumours" regarding alleged Israeli arms sales to Nicaraguan rebels.

"Utterly ridiculous and nonsensical," said ministry spokesman Yosef Amihoud.

He spoke a few hours after the American NBC Television network had screened a Nicaraguan rebel leader, Enrico Bermudez, confirming that his men were using Soviet-made arms which Israel had captured from PLO in the Lebanon War.

The network said the Central Intelligence Agency was organizing the shipment of Israel-supplied arms through Honduras to the Nicaraguan rebels.

"This is a base attempt to cast a slur upon Israel's image and international standing," spokesman Amihoud said of the "rumours" regarding Israeli arms supplies.

Sources at the Foreign Ministry said the flat denial applied equally to "rumours" of Israeli military training aid extended to the government forces of El Salvador.

The surfacing of these stories comes at a particularly awkward time for Israel:

- The U.S. administration's Central America policy is currently the subject of intense debate and criticism in the Congress;
- Foreign Ministry Director-General David Kimche is to hold talks in Washington later this week on, *inter alia*, Israeli aid to central American countries. This agenda item has been confirmed by officials both in Washington and in Jerusalem, but the Jerusalem officials have insisted that Kimche's talks will concern Israeli technical and agricultural aid. The officials say Kimche will not discuss military aid —

because there is none.

Wolf Blitzer adds from Washington: NBC News has reported that one-fourth of the Nicaraguan rebel army has been armed by Israel — at the urging of the Reagan administration.

Israel, NBC said, has sold the rebels — or so-called contras — Soviet-made weapons, captured from the PLO in Lebanon.

The rebels are said to prefer Soviet-made weapons because they can capture ammunition from the Soviet-supplied Nicaraguan army.

State Department spokesman Alan Romberg yesterday again denied that the U.S. was financing or encouraging any third-country arms sales to the rebels. Reacting to the NBC report, he denied that Washington was urging Israel to covertly aid them.

Former defence minister Ariel Sharon was reported to have personally made the secret arrangement with the Nicaraguan rebels following two trips to Honduras while he was in office.

NBC News quoted an Israeli Defence Ministry official in Tel Aviv as refusing to comment on Israeli weapons exports.

Victor Har-El, the Israeli Embassy spokesman in Washington, denied that Israel supplies arms to the contras fighting the Sandinista regime in Nicaragua. Israel, he said, sells arms to countries, not to rebels.

Morocco breaks ties with El Salvador, Costa Rica

RABAT (AP).—Morocco has decided to break off diplomatic relations with El Salvador and Costa Rica following their decisions to move their embassies from Tel Aviv to Jerusalem, the government announced yesterday.

Ben-Elissar on relations with Egypt:

Peace infrastructure eroding

Jerusalem Post Reporter
Much of the "infrastructure of peace" in Israeli society is beginning to erode because of Egypt's deliberate attempts to cool relations, MK Elyahu Ben-Elissar said yesterday.

"The intellectual and even political infrastructure" of the peace "is weakening," Ben-Elissar, the first Israeli ambassador to Egypt, said at a meeting of the Jerusalem Economic Club. He said that Egypt's implicit backing of terrorism against Israel and the anti-Israel propaganda emanating from Egypt both constitute violations of the peace treaty.

He said the Egyptians are looking for incidents, such as the Israeli

frogmen who dove for a sunken yacht in Egyptian territorial waters as "excuses" for acts such as the withdrawal of their consul from Eilat.

Still, Ben-Elissar says he thinks the Egyptians are basically committed to peace, and that these tactics do not serve their real long-term goals.

The chairman of the Knesset Foreign Affairs and Defence Committee also repeated government statements that Israel does not have hostile intentions towards Syria, "and the Syrians know it."

The Associated Press adds:

(Continued on Page 2, Col. 2)

The weather at major Swissair destinations

	MIN.	MAX.	C F C F
AMSTERDAM	12	24	54 75
BRUSSELS	6	21	43 70
BURNOVA	10	20	50 68
CHICAGO	3	17	37 63
COPENHAGEN	6	17	43 63
FRANKFURT	6	21	43 70
GENEVA	6	21	43 70
Helsinki	2	16	36 61
HONG KONG	19	26	66 79
JOHANNESBURG	15	22	59 72
LAGOS	14	27	57 81
LONDON	5	13	41 55
MADRID	6	23	43 73
MONTREAL	1	14	34 57
NEW YORK	6	21	43 70
OSLO	2	16	36 61
PARIS	12	24	54 75
RIO DE JANEIRO	20	28	68 82
SAO PAULO	17	25	63 77
STOCKHOLM	13	20	55 68
TORONTO	6	18	43 64
TURIN	4	18	39 64
ZURICH	5	20	41 68

For the latest weather conditions, contact Swissair

Offices in Israel: Tel Aviv 41 Ben Yehuda St. (03) 243350 Jerusalem 30 Jaffa St. (02) 225233 Haifa 2 Sea Road (04) 84655

swissair

THE WEATHER

Forecast: Partly cloudy.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Min-Max
Jerusalem	66	7-12	14
Golan	83	7-12	14
Nahariya	94	5-10	12
Safed	55	13-19	20
Tiberias	36	12-23	24
Nazareth	47	9-16	17
Afula	47	10-20	21
Shomron	64	8-15	16
Tel Aviv	50	12-19	20
B-G Airport	65	11-19	21
Jericho	69	12-22	24
Gaza	62	12-19	20
BeerSheva	43	8-19	21
Eilat	24	13-26	25

SOCIAL & PERSONAL

David Howie, of the British National Youth Bureau, met yesterday with Jerusalem Mayor Teddy Kolek.

Prof. Yitzhak Parnass, dean of the Faculty of Science at Hebrew University, will speak on "Repair Mechanism in the Nervous System" at the weekly Jerusalem Rotary Club meeting at 1 p.m. at the YMCA today.

Aluf (res.) Aharon Yariv of the Institute of Strategic Studies will be the guest speaker at the Haifa Rotary Club's Ladies' Evening at the Shulamit Hotel, 8 p.m. tonight.

A discussion on "Repression of Soviet Jewry: Policy or Whim?" with the participation of Dr. Theodore Friedman and Mikhail Agursky, both of the Hebrew University, will be held tomorrow, April 26 at 8.30 p.m. at the Israel Centre, 10 Strauss Street, Jerusalem. The discussion will be followed by a film on Soviet Jewry.

DEPARTURES

Tuvia Levi, governor of District 349 (Israel) Rotary movement, to Spain, to attend the convention of District 220 in Marbella, Spain, at the invitation of Governor Jose Orlando.



The new Costa Rican ambassador to Israel, Eduardo Jenkins Dobles, who yesterday presented his credentials to President Chaim Herzog in Jerusalem. Costa Rica recently moved its embassy from Tel Aviv to Jerusalem. (Yitzhak Harari)

Stamp will honour fallen Druse soldiers

A commemorative stamp to be issued this year on Memorial Day will honour Druse soldiers who fell while serving in the IDF, the Communications Ministry announced yesterday.

'Opposition should speak at economic parley'

By AVI TEMKIN
Post Economic Reporter

Opposition representatives should be invited to speak at the upcoming Jerusalem International Economic conference, Manufacturers Association director-general Arnon Tiberg said yesterday. Tiberg was speaking at a Jerusalem press conference on behalf of the public council, chaired by Manufacturers Association president Eli Hurwitz, which is helping to organize the conference.

Tiberg said the council had considered postponing the conference, due to open May 20, because of its proximity to the Knesset elections, but in the end decided the negative results of a delay would be too great. The council therefore decided to demand that the government maintain political balance among the speakers at the conference, Tiberg said.

HOME NEWS

Herut to weigh future of Gahal pact

By SARAH HONIG
Post Political Reporter

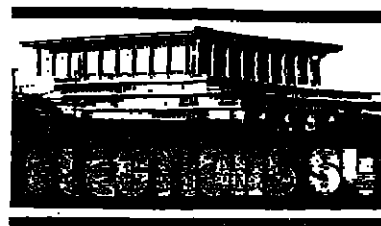
TEL AVIV — The Herut secretary is due to meet today to discuss the party's relations with its Liberal partner, while the Liberals simultaneously hold their internal elections.

The Herut timing is not accidental, as it is thought that the Liberals will be more amenable to amending the 1965 Gahal agreement once their own electoral process is underway. The Gahal agreement determined the ratio between Herut and Liberal candidates on the Likud list, and it was as a result of that agreement that the Liberals emerged from the 1981 elections with 18 MKs, a gross over-representation in Herut's view.

The talk in Herut is that some Liberal leaders would not be averse to granting Herut veto-power over the Liberals appearing on the Likud list. But any such admission on the part of a leading Liberal before that party's own internal elections would be disastrous for that candidate.

Deputy Premier David Levy did not confirm yesterday that an agreement already exists with some of the Liberal hierarchy, but neither did he deny such reports. He said that in a few days all of the details of our talks with Liberal leaders about the Gahal agreement will come into the light.

The Liberals have been denying that any contacts were held with Herut over the Gahal agreement and have stated that they refuse to even discuss the matter. This has aroused resentment in Herut and more than a third of the Herut central committee membership signed a petition to alter the Gahal



agreement unilaterally, if need be. Levy yesterday expressed the hope that Herut would be able to come to terms with the Liberals without having to resort to such action. "The Liberals realize that a serious problem exists and that it can no longer be avoided," he said.

Herut sources say, however, that the party will not necessarily insist on cutting Liberal representation on the Likud list, but may settle for veto power to weed out undesirable. Herut fears that in the event of a Labour victory, some Liberals may cross Knesset lines to team up with the Alignment.

The nature of the list of Knesset candidates produced by the Liberals at their internal elections today will do much to determine Herut's attitude. If the list contains many "problem names," Herut's insistence on an amendment of the Gahal agreement will grow.

Meanwhile Herut is readying for its own internal elections which will be held in two stages. On May 3 the 1,000-member Herut central committee will elect by secret ballot the first 35 Knesset candidates on its list and on May 9 these will be ranked in a series of five more secret ballots. Among the latest to announce his candidacy is party spokesman Yossi Brun.

Experiencing difficulty in making a come-back is former justice

minister Shmuel Tamir. A one-time Herut member, Tamir wants a secure slot at the top. His bid was rejected at the Herut secretariat last Thursday when he was supported by Defence Minister Moshe Arens but opposed by secretariat chairman Yoram Aridor and Levy.

Tamir, however, conferred with Prime Minister Yitzhak Shamir last Sunday in another effort to gain admission. Shamir reportedly promised to help, and Levy expressed surprise at the meeting, arguing that "Herut needs no reinforcement from the outside. We should help our own young members advance in the party ranks."

Levy said in Beit Shean yesterday that he did not know in advance of the meeting and had heard about it on the radio. He added that he had agreed with Shamir that the Likud would go to the elections with its own forces and do without outside forces.

Shamir also reportedly met Tel Aviv Mayor Shlomo Lahat, who failed three years ago to make the Liberal Knesset list. Lahat too may now be seeking entry into the Likud list through special aid from Shamir.

It is not inconceivable that both Tamir and Lahat may be co-opted onto the list as separate factions. This would not be opposed by Levy, since as long as Tamir is not a member of Herut he cannot be considered a potential competitor for the party leadership and the premiership.

A previous attempt by Tamir to re-enter the Herut leadership was foiled on the eve of elections three years ago, despite support for Tamir by former premier Menachem Begin.

Labour to decide today on selection method

By SARAH HONIG
Post Political Reporter

TEL AVIV — The Labour Party's central committee convenes this afternoon to vote on the method whereby Knesset candidates will be chosen. There is considerable grass roots pressure for reform, but party sources doubt that any real changes will be made.

At present, 40 per cent of the list is theoretically chosen by the party branches and 60 per cent by the central committee. In practice, a party appointments committee does most of the choosing.

This has led some of the party groupings to demand that Labour at least in part take a leaf out of the Herut book and leave the choosing to a secret ballot in central committee, thereby freeing the appointments committee from pressure from lobbyists and special interests.

Labour's Young Guard proposes

that a third of the list be chosen by secret ballot. Party Secretary-General Haim Bar-Lev and campaign manager Mordechai Gur agree but they want the ranking of the candidates to still be done by the appointments committee, leaving the real power in the committee's hands.

The kibbutz and moshav movements, which are the chief beneficiaries of the present system, oppose any change as does the camp of former premier Yitzhak Rabin.

The United Kibbutz Movement is now demanding 24 per cent of the representation on the Labour list. The young guard wants 15 per cent, or every seventh candidate, and the women want 20 per cent or every fifth candidate.

One proposal is that the party leadership foursome — chairman Shimon Peres, Rabin, former president Yitzhak Navon and Bar-Lev constitute the appointments committee

this year. But it is thought likely that others from various power groups will be co-opted.

Meanwhile, the foursome has chosen the platform committee, which will be headed by former justice minister Haim Zadok. The leadership foursome and Mapam leader Victor Shem-Tov will also take part. Gad Ya'acobi will be in charge of putting together the section on the economy, Shlomo Hillel on social and domestic affairs. Ya'acov Tzur on defence and foreign affairs and Ora Namir on education. The committee will hold its first meeting next week.

Former ambassador to the U.S. Simha Dinitz has been put in charge of Labour's TV and radio election advertising and former TV newsmen Dan Shilon of TV production.

Author Amos Oz has meanwhile announced that he will not be running on the Labour list.

New plan to resolve row over NRP slate

Jerusalem Post Reporter

A meeting of the Committee of Seven, which is trying to placate disgruntled elements in the National Religious Party, yesterday proposed amending the order of candidates as suggested by Chief Rabbi Avraham Shapira.

The committee, headed by Avra-

ham Stern of Hakhibbutz Hadati, suggested that the Religious Women's Movement be given the eighth slot on the list (rather than the eleventh). Hakhibbutz Hadati get the ninth slot (13th), and Likud Utmura the 10th slot (12th).

Another meeting of the committee is scheduled for tomorrow.

Weizman economic plan urges big cuts

By MARK SEGAL
Post Political Correspondent

Yahad, Ezer Weizman's party, has revealed its economic emergency programme as part of its election platform. The programme includes a five-year emergency regime involving reductions in defence spending and drastic pruning of government budgets, plus a transfer from the government to

local authorities of responsibility for health, transport and social welfare. The Weizman party favours special attention for weaker economic strata, while also cutting government subsidies.

One point calls for increased unemployment payments, combined with a national vocational retraining programme, involving the transfer of clerical workers to factory benches.

BEN-ELISSAR

(Continued from Page One)

The state of peace between Egypt and Israel has become frozen, an Egyptian cabinet minister was quoted yesterday as saying on the eve of the second anniversary of regaining Sinai from Israel.

In an interview with the semi-official newspaper *Al-Ahram*, Minister of State for Foreign Affairs Butros Ghali blamed the deterioration in relations between the two countries on Israel.

He cited such Israeli acts as refusal to grant self-determination to the Palestinian people, its invasion of Lebanon and the annexation of the Syrian Golan Heights and the Arab sector of East Jerusalem.

Egypt on Saturday severed relations with El Salvador and Costa Rica for moving their embassies in

Israel from Tel Aviv to Jerusalem. The Egyptian official stand regards East Jerusalem as part of Arab territories Israel captured in 1967.

"I add that peace has reached a state of freeze," Ghali said when reminded that he has been describing the state of peace between Israel and Egypt as "cold."

Ghali was one of the architects of the U.S.-sponsored Egyptian-Israeli peace treaty of 1979. He implied however that a change in government in Israel might improve relations.

"If a new government was elected, or a coalition cabinet from the Likud Party and the Labour Party was established, this internal change might help change the political climate between Egypt and Israel," Ghali said.

general said. The 350 to 400 delegates from major corporations in 19 countries will attend the conference, Friedrich said. The U.S., Japan, and European and Latin American countries will be among those represented, and 70 per cent of the delegates will be non-Jews.

According to Friedrich, the list of participants includes directors and chairmen of corporations with turnovers amounting to billions of dollars around the world. However, some personalities who had promised to attend the conference, including former U.S. Secretary of State Henry Kissinger, have cancelled their plans to attend, he admitted.

The conference delegates will learn about Israel's potential and advantages in the fields of technology and industrial research and development, he said.

Ivtzan defends officer against allegations

By ROBERT ROSENBERG
Jerusalem Post Reporter

Police Inspector General Rav Ivtzan Arye Ivtzan last night expressed full confidence in his quartermaster-general Rahamim Haddad, who had threatened to resign unless he got such a public backing.

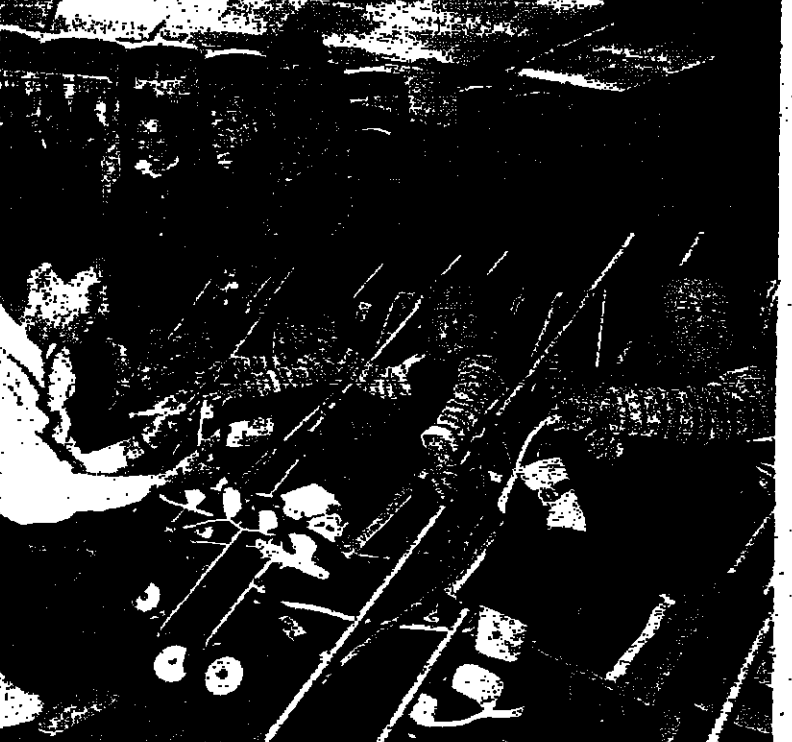
Haddad sought a statement from Ivtzan because of allegations made by a senior investigative officer three months ago that Haddad, while serving as deputy commander of the Northern District, had been

one of several officers who "whitewashed" a police inquiry into corruption in the district. Ivtzan relented and provided the statement which said that the inspector general "has full confidence and gives complete backing" to Haddad, who is described in the statement as "an officer able to fill every function in the force."

The Ivtzan statement came 12 hours after reports that Haddad intended to resign, and it put to rest a belief inside the force and the Interior Ministry, that Haddad's

resignation would be welcomed by Ivtzan because of potential embarrassment caused by the courtroom revelations. The revelations about "whitewashing" came in the trial of a Northern District rav-pakad (superintendent) who is accused of corruption, and the allegations about Haddad were made by assistant chief of criminal investigations, Tat Nitzav (deputy commander) Yoram Gonen.

The police spokesman last night refrained from comment on Gonen's statement, saying the matter was still sub judice.



Remembering what belongs to which child can be a problem for the parents of quintuplets, as the Galzals of Moshav Melshar, near Rehovot, know. Sandal shopping in Tel Aviv, Malka Galzal writes her quins' names to identify each child's pair. (Israel Sun)

Marcel Janco buried

TEL AVIV (Itdim) — Artist Marcel Janco, who died in Tel Aviv on Saturday at the age of 89, was buried yesterday in the Kiryat Shaul cemetery here.

During the morning, his coffin stood in the Tel Aviv Museum plaza as mourners, including MKs, the Rumanian Ambassador to Israel, Constantin Vasiliu, and fellow artists, paid their last respects.

The Rumanian-born Janco, who emigrated to Israel during World War II, was one of the founders of the Dadaist Movement, which flourished in Western Europe during and after World War I.

French parliamentarians coming as guests of WZO

Jerusalem Post Staff

An 80-member delegation from France, including 45 parliamentarians of whom 17 are serving mayors, is to arrive today for a week's visit. The group, which comprises representatives of all of France's political parties, will be the guest of the World Zionist Organization.

Avrushmi linked to grenade as trial opens

Jerusalem Post Reporter

The trial of Yona Avrushmi, accused of throwing the grenade that killed Emil Grunzweig and wounded 10 others in a Peace Now demonstration in Jerusalem in February 1983, opened yesterday with testimony linking the accused to the scene of the crime.

According to testimony presented in the Jerusalem District Court, a bag found at the scene of the murder outside the Prime Minister's Office, was carried by Avrushmi when he purchased a grenade from Amos Shengloff. Other evidence linked the Shengloff-sold grenade, to the murder site.

Avrushmi, who was caught in yesterday's session, was unshaven and wore a kippa.

Shengloff, a police informer, yesterday told the court that he received a \$500,000 reward for providing the information that led to Avrushmi's arrest. David Shem-Tov, a soldier serving a military court sentence for stealing and selling weapons from his IDF base, yesterday told the court he sold several grenades to Shengloff.

According to the prosecution, headed by Jerusalem district attorney Asher Palgi, a piece of wrapping found at the scene of the crime was of a type found later on a grenade sold by Shengloff after Avrushmi's arrest. The police deduced from that piece of evidence, it was learned yesterday in court, that one of the grenades Shengloff sold was used in the attack on the Peace Now rally.

Shengloff described in detail how he approached Avrushmi to ask what the going street price was for a hand grenade. Avrushmi said Shengloff, didn't know, but a few days later approached him and asked Shengloff to sell a grenade.

Shengloff agreed to make the sale for \$1,000 and gave Avrushmi the grenade. A few days later, after repeated nagging by Shengloff, Avrushmi handed over \$900 for the grenade, and promised to bring the rest of the money later. The grenade attack occurred that evening.

Avrushmi, his legs shackled, remained silent during the trial, taking notes during the entire session. The trial continues today, before the three-man panel, Judges Elihu Noam, Ya'acov Bazak, and Zvi Tal.

Grave-raider details 'halachic' exploit

REHOVOT (Itdim) — Meir Agassi, one of the accused in the case of the disinterment of Tereza Anghelovici from her Rishon LeZion grave, yesterday said that he was acting in compliance with the halachic ruling of the country's two chief rabbis.

"As a religious Jew, I know that a non-Jew should not be (interred) in a Jewish cemetery... We did a very humane thing," said Agassi in the Rehovot Magistrates Court, appearing as the first witness for the defence.

Agassi, 34, and David Ehrenfeld, 34, who both work in the Rishon LeZion burial society (Hevra Kadisha), are charged with removing Anghelovici's remains in the dead of night from her grave and dumping them in a Moslem graveyard in Ramle.

Also testifying yesterday was Yussuf Sa'ad, 16, who said that he and his friends turned over the remains after finding them in the Ramle cemetery, in order to make sure they were not those "of a dog or goat."

Agassi testified that in the IDF he serves in a burial unit and that in the past he has dealt with non-Jewish dead with no less respect than with Israeli dead.

He went on to describe in detail the disinterment operation. "David (Ehrenfeld) opened the grave, lifted the blocks, and tied a rope around the corpse. Five knots, as is done when there is a danger that the corpse will disintegrate. The corpse is tied, so that there is no contempt for the dead." Then the two placed the remains on a stretcher and carried them to a Hevra Kadisha funeral van.

"We looked for a respectable place in the Ramle cemetery, (then) David dug a regular grave which was about knee-deep. Only afterwards did we learn of our mistake from the radio, that we had buried her in a Moslem graveyard. We had not intended to hurt the feelings of the dead or her family. We did it for the sake of the Jews (buried in the Rishon LeZion cemetery) and for the dead (Anghelovici) who was not

honoured by burial among Jews," explained Agassi.

Agassi went on to attack the "left-wingers (MK Shulamit Aloni and members of Mapam)," who had demonstrated by the Anghelovici gravesite a year after her burial.

Anghelovici, a non-Jew, immigrated to Palestine with her Jewish husband, after World War II. They survived a Nazi concentration camp together. She had not undergone a Jewish conversion. She died and was buried in the Rishon LeZion grave yard in 1983.

EXERCISE — A civil defence exercise is to be held at Ben-Gurion Airport tonight, with the participation of army, police and first aid units. Passengers and others are requested to follow the instructions of security personnel. If there is a real emergency, rising-and-falling sirens will be sounded.

The Hadassah Women's Zionist Organization of America

The Hadassah Medical Organization

mourn the passing of

Prof. IRWIN SHIP

friend and sponsor of Dentistry at Hadassah

RAMOT SHAPIRA WORLD YOUTH CENTRE

deeply mourns the passing of

LEAH KRAUSZ י"ה

and extends sincerest condolences to husband ARMIN and son NEVILLE

members of its International Board of Trustees and to all members of the family.

מנוחם ינחם אתכם בתוך שער אבלי ציון וירושלים

Our beloved

ANITA WINTER

left us forever on Sunday, April 22, 1984.

The funeral will take place today, Wednesday, April 25, leaving at 1.30 p.m. from 5 Daphna St., Tel Aviv, for Kiryat Shaul Cemetery.

Heinz Winter, Tel Aviv

Heinz and Daphna Rieckner, Vienna

Heinz and Ella Schreyer, Lakewood, USA

The father of our family

AVRAHAM ZE'EV GOELL

has passed away at a ripe old age.

The funeral will leave from the Sanhedria funeral parlour today at 11 a.m. for interment at the Har Hamenuhot cemetery.

Mourners:

His wife: Sarah

His son and daughter-in-law: Yosef and Edith

His grandchildren: Ilana and Avi; Gideon and Ella; Yael

His great-grandchildren: Lior and Ruthi

Tel Aviv Museum

extends sincere condolences to

Hersch Rieck and family

on the passing of their beloved

DORIS RIECK

The Israel Museum, Jerusalem

mourns the loss of

DORIS RIECK

and expresses condolences to HERSH RIECK, the Hon. Treasurer of the British Friends of the Art Museum of Israel

Politicians test crowd response at TA Mimouna

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV. — "One nation together" was the slogan of yesterday's Mimouna celebrations at Hayarkon Park here, and unity was the theme of the speeches delivered by the assembled dignitaries.

Labour Party chairman Shimon Peres got a mixed reception, with loud boos drowning out the applause, despite repeated exhortations from the stage for a bipartisan approach. Another — surprising — victim of derision was Labour and Welfare Minister Aharon Uzan of the Tami Party.

President Chaim Herzog said the celebration represented the victory of Zionism and the return to Zion. "Looking at this varied crowd, I know that we are a rich nation," Herzog said.

Prime Minister Yitzhak Shamir said the Mimouna was a continuation of Pessah, both being celebrations of freedom. He said the Mimouna was composed of three elements — aliya, the strength of the nation, and the unity of the communities making up Israeli society.

Peres said the Mimouna was a festival of goodwill. While Pessah represents freedom from Egypt, Mimouna represents freedom from the Diaspora, Peres said.

None of the speakers mentioned the

forthcoming elections, but that did not prevent members of the crowd from expressing their preferences. The obvious favourite was Deputy Prime Minister David Levy, who took the stage to chants of "David, king of Israel!" while the trumpets were playing the presidential fanfare for Herzog. Second favourite appeared to be Tel Aviv Mayor Shlomo Lahat, who told the crowd that holding the Mimouna celebration in Tel Aviv was the best present the city had received in its 75 years of existence.

Shamir and Herzog were received warmly but without the fervour that greeted Levy.

Ezer Weizman was warmly greeted by former air force men among the crowd. He was often asked "Why did you leave the Likud?" He replied "It was the Likud that left me."

The crowd was far smaller than had been anticipated, possibly due to the predictions of rain. The smell of roasting meat hung in the air as families settled down on the grass for picnics. Singers and dancers entertained the crowd from the central stage, alongside a semi-circle of tents housing exhibitions of folk art and culture from the various North African Jewish communities.

Robert Rosenberg adds:
Sacher Park, the site of Mimouna celebrations in Jerusalem, was awash with rain from early

morning. The few people who showed up were mostly vendors hoping that somebody — despite the chill and rain — would buy a cold drink or some corn on the cob.

Organizers did set up a stage and begin raising a tent, but the rain falling on microphone wires created a danger of electrocution, and workers were unable to handle the canvas tent sheets in the high winds.

By noon, the organizers began dismantling the sound stage. In previous summer years, the park was overflowing with picnickers at this hour, and nearby streets were packed with parked cars.

The few gaily-coloured tents staked out in the park were buffeted by the wind. By two o'clock, most of those tents were also gone.

"It's weird, a Mimouna in the rain," said a policeman looking down from a knoll at vendors wrapped in sheets of plastic standing forlornly in the cold.

Histadrut Secretary-General Yeroham Meshel participated in Mimouna celebrations in the Negev town of Yeroham yesterday. Addressing a crowd of several thousand from a stage in the centre of the town, Meshel called for a strengthening of the traditions of communal unity and love of Israel that, he said, characterized North African Jewry.

Tel Aviv will open six unguarded beaches

TEL AVIV. — The Tel Aviv Municipality will open six new beaches where bathing will be at the swimmer's own risk, David Yutam, who holds the municipal beaches portfolio, announced yesterday. The bathing season will run from May 3 to October 25.

In Haifa, the bathing season will also open on May 3, the city spokesman announced yesterday at the city's five beaches — Dado, Samir, Carmel, Bat Galim and Kiryat Haim.

He said many improvements had been made during the winter, and at the Dado and Samir beaches the water slides for children would again be operated.

Tel Aviv's new unguarded beaches will be located between the eight official beaches where life-

guards and other services are available, the city's beach chief said. The beaches are being opened to provide more room for sunbathing, picnicking and sport, but swimmers will have to decide whether to risk bathing at the unguarded beach, or to walk a few hundred metres to an official beach where there are lifeguards, Yutam said.

Tel Aviv's eight official beaches are Tzuke (Country Club), Hilton, Sheraton, Gordon, Bograshov, Frishman, Allenby and Rehov Giborei Ha'aliyah.

Sports areas are also being set up between official beaches he said, so that people playing water games will not interfere with swimmers.

Swimming will still be forbidden at Tel Aviv's beaches because of pollution,

north of the marina because of the marina dock, in areas reserved for water-skiing and near the Old Jaffa and Tel Aviv ports, where rocks and other obstructions are safety hazards.

Yutam said the city has been forced to close one lifeguard station and not to open new ones planned for this season for lack of lifeguards. If sufficient temporary staff are found, the situation may change.

Asked whether the lifeguards will strike again this year, Yutam said they have not yet notified the city of any such intention. "They are experts at their work, but they are also experienced in making demands and if they have any I'm sure they won't be ashamed to tell us," he said.

Ministry ignores charges it hid report

Jerusalem Post Reporter

The Health Ministry yesterday declined to comment on charges made by the Histadrut health insurance fund, Kupat Holim Clalit, accusing it of concealing a report recommending the fund operate clinics at Jerusalem's Shaare Zedek Hospital.

Kupat Holim accused Health Ministry Director-General Baruch Modan of burying the report, made some 18 months ago by ministry and Treasury representatives in an attempt to solve the hospital's financial problems. Kupat Holim spokesman David Tagar said Modan shelved the report and it came to the attention of the fund "only by chance."

In another development, Shaare Zedek's board of directors who opposed the merger with Kupat Holim last month may apply to the courts in an attempt to annul the decision, an informed source told *The Jerusalem Post* yesterday.

The agreement was signed and ratified last week by the American heads of Shaare Zedek, after a debate in which 14 members favoured the merger, 12 opposed it and two abstained. Most of the abstainers and those voting against represented ultra-Orthodox factions.

Registration to open for Haifa kindergartens

Jerusalem Post Reporter

HAIFA. — The municipality will register three-year-olds for municipal kindergartens from May 2 through 11 but does not undertake to open classes for them, its spokesman announced yesterday. He noted that the Compulsory Education Law does not oblige municipalities to provide classes for three-year-olds. The pre-compulsory kindergartens last year cost the city IS46 million.

After the registration is completed, the city administration will decide on the number of kindergartens to be opened.

Druse to celebrate Nebi Shueib holiday

Special to The Jerusalem Post

JULIS. — The 65,000 Druse in the Galilee, Mount Carmel and Golan Heights celebrate the Nebi Shueib holiday today. The main celebration will be held at the Nebi Shueib shrine at Kfar Hittin overlooking the Sea of Galilee.

Unlike in previous years, the celebrations will include only prayers, a traditional pilgrimage to the tomb of the prophet and recitation of chapters from the holy books.

Due to the sensitivity of the coming elections, no officials will attend the ceremony at the shrine.

President Chaim Herzog cabled the Druse spiritual leader Sheikh Amin Tarif praising the loyalty of the Druse community to Israel and the sacrifice of Druse soldiers for the security of the state.

A special emissary was sent to Lebanon to invite the Druse there to attend the ceremonies.

Militant mood as Armenians mark anniversary of genocide

By HAIM SHAPIRO
Jerusalem Post Reporter

The country's Armenian community yesterday observed the 69th anniversary of the genocide of the Armenians by the Turks in a more militant tone than in previous years, calling for the release of Armenian "political prisoners" and demanding recognition of the "legitimate rights of the Armenian people."

All last week red painted slogans remained on the walls of the Armenian Quarter in Jerusalem's Old City, where a procession yesterday to the Armenian cemetery on Mt. Zion followed a requiem mass in the community's cathedral.

A spokesman for the community told *The Jerusalem Post* yesterday that Turkey must recognize its responsibility for the genocide which began on April 24, 1915 when some 350 Armenian intellectuals were killed in Istanbul.

According to the spokesman, some 20 Armenians are now imprisoned in the U.S., Canada, Switzerland, France and Yugoslavia, accused of acts of terror against Turkish diplomats. The local Armenian community is also calling for the release of Father

Manuel, an Armenian priest from Jerusalem who was arrested during a visit to Turkey.

The spokesman noted that the Tribunal du Peuple, a Paris-based body initiated by Bertrand Russell, last week officially recognized the Armenian genocide and held Turkey, as the successor of Ottoman Turkey, responsible. In July, the European Parliament is to hold a session on the issue, acting on a proposal tabled by France.

Among the participants in yesterday's march were some 20 survivors of the Armenian holocaust, still living in Jerusalem.

In Haifa, several hundred Armenians yesterday took part in a memorial procession.

The demonstrators carried placards in English, Hebrew and Armenian condemning the 1915 massacres and calling for international support for the Armenian cause.

Community leaders called on the world to back their demand that Turkey accept responsibility for the slaughter and compensate them for lost land and property.

After the procession a memorial service was held at the Armenian Church.

Hoteliers to weigh own early elections

By HAIM SHAPIRO
Jerusalem Post Reporter

The Hotel Association directorate is to meet tomorrow to decide if there is a need to hold early elections, following criticism of its current president, Maurice Cassouto.

The attack, spearheaded by hotelier Haim Schiff, criticized Cassouto for serving at the same time as head

of the association and the Israel Government Tourist Office in Cairo.

Cassouto told *The Jerusalem Post* yesterday that although the association's rules call for elections in November, he is ready to step down now if that is the wish of the directorate. He has asked for the meeting to decide on the issue.

Computer seminar opens in Rehovot

Jerusalem Post Staff

REHOVOT. — Scientists from leading universities and computer companies around the world arrived yesterday at the Weizmann Institute of Science to participate in a four-day workshop devoted to a novel computer language called "Concurrent Prolog." Based upon Prolog, the first computer language formu-

lated in accordance with mathematical logic, CP was developed by 28-year-old institute computer specialist Dr. Ehud Shapiro.

Following the workshop, which began yesterday, the institute will host a one-day seminar on logic programming and parallel processing, which will be open to Israeli researchers.

Leopard patrol ends due to kibbutz apathy

Jerusalem Post Reporter

BEERSHEBA. — The Nature Reserves Authority recently halted nightly patrols aimed at scaring away a leopard from Kibbutz Ein

Gedi, after the kibbutz failed to carry out the authority's recommendations.

The kibbutz, located on the Dead Sea shore, asked the authority's help two months ago, after a leopard entered its grounds and ate a duck. The authority suggested the kibbutz repair its fence, keep gates closed and prune trees near the fence.

The authority sent nightly patrols until it determined that the kibbutz did not implement the proposed safeguards.

Peace Now unit to Egypt

Jerusalem Post Reporter

A delegation of Peace Now leaders left for Egypt yesterday evening for meetings with senior Egyptian officials.

Delegation members Janet Aviad, Yossi Ben-Artzi and Prof. Yoram Ben-Porat said before their departure that they hope they will help to improve the strained relations between Egypt and Israel.

Rabbi, secularist to debate observance

By AARON SITTNER
Jerusalem Post Reporter

An Orthodox Torah scholar and a prominent anti-Orthodox secularist will square off before hundreds of pupils, their parents and teachers at Jerusalem's Rene Cassin Secondary School next Monday in a debate on the need — or lack of it — for observance of Jewish ritual in the State of Israel.

The Orthodox position will be presented by Rabbi Dov Begun of Yeshivat Merkaz Harav of Jerusalem. The secular view will be offered by attorney Uri Hupert, leader of the Movement Against Religious Coercion and for Separation of State and Religion. Hupert told *The Jerusalem Post* yesterday: "My message to the children and their parents will be that Orthodox Judaism and Zionism are incom-

patible, that one will have to disappear if the other is to continue in existence."

This Friday night, the movement will hold an all-night anti-religious "symposium-vigil" at Kibbutz Tzova sponsored by all kibbutzim in the Jerusalem Corridor. Besides Hupert, speakers will include Tuvia Ben-Horin, spiritual leader of Jerusalem's Reform Jewish congregation; writer Yoella Harsheli and Prof. Uzi Ornan, leader of the Israel Secularist Association.

A mass demonstration planned by the movement for Tel Aviv next month has been postponed, Hupert said, because of the upcoming Knesset elections. The organizer of the rally was to have been Peace Now leader Ofer Avni. But he has stepped aside since being appointed a coordinator in the Alignment's election campaign.

NEW MEXICO LAWMAN

(Continued from Page One)

holiday" the police would be able to provide information regarding the case. Yesterday, the "day after the holiday," he was released from jail, on condition that he leave the country.

Mike Mansour "never believed Israel would act in the way it did towards him. He could believe it of Arab countries, but not of Israel," said Clore, who said Mansour had given him permission to speak about the case.

Clore said that Mansour was politically active in Albuquerque as a spokesman for "peace between Arabs and Jews," and that "now he says he has changed."

"He told me that he intends to tell people what he went through, about his experiences. He's not now very favourably disposed" towards

Israel, said Clore.

According to another consular official, Mansour is particularly bitter about the "lack of due process."

Interrogation in a language he barely knows (he was born in the West Bank, but hasn't spoken Arabic since he was 14); instructions to sign a statement in a language he doesn't know; detention in a cell for two weeks without a change of clothes; and the medical problems all contributed to that bitterness, the official said.

Israeli officials in Jerusalem said yesterday that "this is not America," in response to questions about the physical conditions in which Mansour was kept. And they emphasized that the entire legal procedure against him, ending with the case being closed, was without legal flaw.

DISCOVERING JERUSALEM

The excavation of the Jewish Quarter in the Upper City of Jerusalem produced some of the most significant archaeological discoveries of the twentieth century. With the unearthing of numerous major finds in ten years of painstaking work, author Avigad and his colleagues have brought to light unimagined historical and archaeological treasures from the city's rich and troubled past. **DISCOVERING JERUSALEM** is the first English-language account of these sensational discoveries. Richly illustrated, including full-colour photographs. Published by Shikmona, hardcover, 270 pages. Price, IS 4122

To: Books, The Jerusalem Post, P.O.B. 81, Jerusalem 91000

Please send me **DISCOVERING JERUSALEM**. I enclose a cheque for IS 4122.

NAME

ADDRESS

CITY

Price valid until April 30, 1984.

NAHMAN AVIGAD



AMERICAN ISRAEL BANK LTD.

CONDENSED BALANCE SHEET AS AT DECEMBER 31, 1983

(in thousand shekel)

	December 31, 1982	December 31, 1982
Capital, Reserves and Surplus	319,071	140,101
Convertible Capital Notes	25,000	28,500
Deposits	43,370,090	14,674,220
Deposits for Loan Purposes	3,537,645	1,381,114
Other Accounts	136,556	56,862
	<u>47,388,362</u>	<u>16,280,797</u>
Cash, Bank of Israel and Banks	23,291,312	6,942,475
Securities	6,343,596	2,649,546
Loans to Israel Government	3,968,964	932,131
Loans and Notes Discounted	9,895,961	4,239,772
Loans from Deposits for Loan Purposes	3,534,067	1,380,329
Other Accounts	230,720	56,914
Bank Premises, Equipment and Other Property	123,742	79,630
	<u>47,388,362</u>	<u>16,280,797</u>

CONDENSED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING DECEMBER 31, 1983

(in thousand shekel)

		Previous Year
Operating Profit before taxes	148,742	51,583
Provision for Taxes on Operating Profit	4,000	2,000
Net Profit	<u>144,742</u>	<u>49,583</u>

Note: Complete Financial Statements are available at the Bank's Branches

Kabul Radio claims:

Strategic Panjsher Valley captured

NEW DELHI (AP). — Afghan and Soviet troops overran guerrilla bases yesterday in a major offensive against the Panjsher Valley controlling vital supply routes in Afghanistan, Kabul Radio said.

The claim followed western diplomatic reports that Soviet and Afghan forces had launched a new offensive against rebel-held Panjsher which resisted six previous assaults in the past four years.

"Panjsher has been occupied by our valiant forces because Ahmad Shah Masoud, although he had signed a truce, had started attacking various units and places," said the official Afghan broadcast monitored here.

Masoud, 38, leader of the guerrilla force in Panjsher, last year agreed to a truce in a valley meeting with Soviet and Afghan commanders.

Masoud's fighters control much of the 100-kilometre long gorge located 7 km northeast of Kabul, the capital.

Last year, before the cease-fire, Soviet and Afghan soldiers penetrated at least 25 km into the deep valley.

Hailing the "liberation" of Panjsher, the broadcast said: "No force on earth can make our soldiers vacate the valley again."

The radio alleged Masoud repeatedly broke the truce. "We could not tolerate this and sent the joint forces of Afghan and Soviet governments into Panjsher."

Earlier, western diplomats said Soviet aircraft had been conducting high-altitude bombing of the gorge since last weekend after Soviet troops and equipment were massed in the area.

"Panjsher 7 has begun," said a diplomat who asked not to be identified by name or nationality.

Six large-scale Soviet campaigns during the past three years have failed to wrest control of the valley which has been used by Masoud as a staging base for guerrilla ambushes

in other regions.

The diplomatic report said the new attack was triggered by the destruction by Masoud's forces of a major bridge on the highway connecting Kabul and the Soviet Union.

On the night of April 16, the Moslem rebels blew up 20 metres of the concrete Mattock bridge over the Ghorband River south of the Salang Pass, the report said.

The Soviets reportedly tried to build a pontoon bridge, but the river, swollen by the spring thaw, washed it away.

The guerrillas reportedly blew up three other bridges on both sides of the Salang Pass in mid-April and mined the highway between the bridge and the pass, the diplomats said.

Soviet troops and equipment began massing near the valley about two weeks ago. There are now "thousands" of soldiers and more than 500 tanks and armoured personnel carriers in the area.



London police draw back their screens to allow a car carrying a Libyan intermediary into the sealed-off area around the besieged Libyan Embassy in central London. (UPI telephoto)

Measures precede crucial debate

Brazil's universities shut, military censorship imposed

BRASILIA (Reuters). — Brazilian authorities closed the capital's two universities yesterday after students demonstrated on Monday night in support of direct elections for President Joao Figueiredo's successor.

Witnesses said police used teargas to disperse small groups of students protesting against emergency measures ahead of a key debate today on an opposition amendment seeking to dissolve the electoral college which chooses presidents.

But strict military censorship imposed under presidential emergency measures will prevent live coverage of the debate from reaching Brazil's 131 million people.

General Newton Cruz, the military commander of Brasilia and 10 neighbouring towns covered by the emergency, ruled that all radio

and television coverage relating to constitutional amendments and emergency measures must be submitted for censorship.

Colonel Antonio Fernandes Neiva, the national director of communications, said there would be no restrictions on foreign coverage of the debate.

Security has been stepped up in preparation for the debate with roadblocks on all routes to the capital and others within the city itself. Police are checking identity documents of all passengers arriving by air.

Gen. Cruz said the controls were aimed at stopping those whose sole object in coming to the capital was to intimidate parliamentarians and prejudice the free exercise of legislative power.

Sikh extremists kill priest

AMRITSAR (AP). — Sikh terrorists beat a priest to death, shot and wounded two people and sabotaged a railroad line in Punjab State yesterday, as the Indian government declared it would never agree to an independent Sikh homeland.

"We will never accept the demand for a separate Khalistan. The nation will not accept it," Home Affairs Minister Prakash Sethi said during a debate in Parliament.

Sethi said the government was committed to resolving the Punjab crisis through "peaceful negotiations." He said intelligence reports indicated Sikh terrorists were receiving arms from neighbouring Pakistan, but this was difficult to prove

because it was "a delicate matter involving international relations."

Meanwhile, three Sikh gunmen were seriously wounded in a shoot-out with paramilitary troops 30 kilometres west of this Sikh holy city. A border security force spokesman said the Sikhs were involved in gunrunning and were shot near the border with Pakistan.

Four Sikh militants beat a Sikh priest to death in a village outside Amritsar, police said, blaming internal rivalry in a Sikh group for the slaying.

In another incident, a Hindu village leader was shot and wounded by four unidentified Sikh terrorists, the police control room said. The victim — reported to be on a "hit list" of Sikh terrorist leader Jarnail Singh Bhindranwale — was listed in critical condition in a hospital in Ludhiana, southeast of here.

Gurinder Singh, a Sikh extremist, was jailed in Ludhiana under a controversial Preventive Detention Law recently amended to allow imprisonment without trial in Punjab for up to two years.

Rebels deny Libya has annexed northern Chad

BRUSSELS (Reuters). — Libyan backed Chadian rebels loyal to former president Goukouni Oueddei yesterday denied press reports that Libya had annexed the area of northern Chad which they hold.

A statement issued by the European representative of the rebel Chad Government of National Union (Gunt) called the reports "fallacious allegations."

The reports apparently originated from a news conference given at the weekend by Libyan leader Muammar Gaddafi, in which he described Chad as an extension of Libya.

Ten die in Dominican price riots

SANTO DOMINGO (Reuters)

Ten people, one of them a policeman, were killed yesterday when security forces fired at rioters looting supermarkets in a protest against rising food prices in the Dominican Republic, police said.

They said the 10 died as police and troops fired into crowds which had sacked and burned four supermarkets in the capital. Dozens of smaller stores were also looted.

It was not known if the policeman was hit by a stray bullet from security forces or by return fire from protesters.

Stores were set afire and looted in Santo Domingo's old section and riots spread to three other large cities — Santiago, San Francisco de Macoris and San Cristobal.

Businessmen's organizations had called for a 24-hour strike against the government's decision last week to increase prices of all imported goods, including medicine, by 200 per cent. The prices of foodstuffs also were boosted by varying amounts as the government sought to meet conditions for a loan from the International Monetary Fund.

Bands of demonstrators in Santo Domingo barricaded streets with burning tires and hurled stones at police who responded with tear gas grenades and then bullets.

Among those arrested was Narciso Isa Conde, secretary-general of the Dominican Communist Party. Police said he was arrested at his home and claimed that "subversive material" and weapons were found in the house.

Under the increases, the price of a small package of bread went from the equivalent of 6 cents to 10 cents, for example, and a pound of sugar was raised from 26 cents to 32 cents.

A public bus was overturned and burned, and police blocked off the old part of Santo Domingo.

Nigeria changes its currency

LAGOS. — The Nigerian military government has taken another step in its war on corruption by ordering a change in the nation's currency notes, including the colour, that is likely to leave many people holding bundles of worthless paper.

Brigadier Tunde Idiagbon, who ranks second in the new administration, said the television Monday night that individuals could change "no more than 5,000 old naira (\$6,650) into new notes without having to explain how they came by the cash."

The government has also closed the land borders and instituted tough searches at air and sea ports until the end of the changeover on May 6. This is to ensure that money smuggled abroad to be changed in foreign banks at lower rates than those set by the Nigerian central bank is not brought secretly back.

Security vans manned by police and armed guards began delivering new Nigerian currency notes to banks across the country.

Idiagbon blamed the West African nation's financial plight on the civilian administration of ex-president Shehu Shagari, overthrown in a near-bloodless coup last December 31.

Time names its 10 best U.S. newspapers

NEW YORK (AP). — Three newspapers have made Time Magazine's list of the top 10 U.S. papers for the third time — The New York Times, the Los Angeles Times and The Washington Post.

They were joined by the Boston Globe, the Chicago Tribune, the Des Moines Register, the Miami Herald, the Philadelphia Inquirer, the St. Petersburg Times and the Wall Street Journal.

Time, which named its top 10 newspapers in 1974 and 1984, said it compiled its list by examining "imaginative staff coverage of regional, national and foreign issues, liveliness in writing layout and graphics, national impact achieved through general enterprise, command of some particular field of coverage or track record of training top-rank younger journalists."

The legends and stories of Sufed originate in the two worlds of mysticism and reality. The ancient mysticism remains an integral part of the character of modern Sufed. LEGENDS OF SUFED takes the reader through this picturesque town in the mountains, unearthing the wondrous tales for which Sufed is acclaimed.

Originally published by the Jewish H. Magnes Museum in Berkeley, Calif. Printed by HaAri Sufed Inc. Softcover, 95 pages, illustrated.

To Books, The Jerusalem Post, P.O.B. 81, Jerusalem 91000. Please send me LEGENDS OF SUFED. I enclose a cheque for \$17.98.

NAME _____

ADDRESS _____

CITY _____

CODE _____

Price valid until May 31, 1984.

Abortion made legal in Portugal

LISBON (AP). — Portuguese President Antonio Ramalho Eanes on Monday signed into law a bill legalizing abortion in this predominantly Roman Catholic country.

In a nationwide television broadcast, Eanes noted that passage of the bill by parliament and the nation's constitutional court had led to his decision, despite his reservations over the measure.

"I know that the religious position will remain unchanged: abortion will always be illegal and reprehensible," he said of the strong anti-abortion campaign mounted by Portugal's Roman Catholic community.

But, he said, the refusal by the country's political parties to advocate a national referendum on the matter "showed that they did not want the Portuguese people to speak directly on this."

Sources close to the president said the bill, signed by Eanes earlier in the day, would technically go into effect "immediately."

Ex-chancellor Kreisky has kidney transplant

HANOVER, West Germany (Reuters). — Former Austrian chancellor Bruno Kreisky underwent a kidney transplant on Easter Sunday, a hospital spokeswoman said on Monday night.

The 73-year-old Kreisky, who had been on a dialysis machine, was reported in good condition.

Cerebral palsy victim ends self-starvation

LOS ANGELES (Reuters). — Cerebral palsy victim Elizabeth Bouvia, who had asked to be allowed to starve to death, has decided she wants to live and has started eating again, the San Diego Union reported yesterday.

Her first meal, after going seven months without solid food, was a glass of white wine and a roll of Mexican bread, the newspaper reported.

Bouvia, who is confined to a wheelchair and can move only her right hand, asked U.S. courts last year to order the staff of a hospital in Riverside, California, to give her pain killers and provide hygienic care while she starved herself to death.

The courts rejected her request and the hospital where she was a patient fed her through a tube in the nose. Two weeks ago, Bouvia discharged herself from the hospital and went to Tijuana, a Mexican town on the U.S. border.

But a hospital there also refused her request that she be denied food. Realizing that people in the two countries wanted her to live, she decided to end her attempt to die, the San Diego paper reported.

French police seize huge drug shipment

PARIS (AP). — Six metric tons of hashish and 50 kilograms of opium with a street value of \$37 million were seized in an Easter weekend raid that French police yesterday called their biggest drug bust ever.

Four Marseille men with criminal records, two brothers from Lebanon and an Algerian, were arrested when Narcotics police raided a drug warehouse in a village near Versailles.

Part of the shipment was to be sold in France, French Interior Ministry spokesman said, with the rest intended for other European countries.

Three earthquakes rock western Pacific region

TOKYO (AP). — Three moderate earthquakes centred in western Pacific waters shook Taiwan, Japan, and Sakhalin Island off the Siberian coast yesterday, but there were no reports of damage or injury.

The strongest tremor measured 6.8 on the open-ended Richter scale. The epicentre was off the small, uninhabited Japanese island of Terishima, 450 kilometres south of Tokyo.

ly passed measures condemning secret CIA-supervised mining of Nicaraguan ports.

Although the bills carried no legal force, Reagan administration officials quietly passed word that the operation had stopped permanently.

Nevertheless, the timing of the mining has jeopardized congressional passage of \$21 million in covert aid urgently sought by the administration to help guerrillas opposing the Sandinist government.

Although the Senate had approved the aid, it remains unsettled in a House and Senate negotiating conference.

House Speaker Thomas O'Neill vowed that covert aid to Nicaraguan rebels would not pass Congress and extended his vacation for a week, ensuring no rapid action.

Clouding the debate over covert operations is a dispute over how much Congress has been told about them. The CIA is legally obliged to keep Congress informed of its activities. (AP, Reuters)

Sandinistas reject church appeal to talk with rebels

MANAGUA, Nicaragua. — The Sandinista government has rejected church leaders' pleas that it negotiate with rebels and is reportedly reinforcing troops near the Honduran border to brace for a new insurgent offensive.

In Costa Rica, leaders of anti-Sandinista forces based there said on Monday that the CIA might be aiding them indirectly but denied published reports that they follow orders from the U.S. intelligence agency or any other foreign group or government.

In Managua, the official government newspaper *Barricada* carried the Sandinistas' rejection of the appeal by Nicaragua's Roman Catholic bishops. The plea, made in a pastoral letter, was one of the strongest issued by the church leaders against the leftist Sandinistas.

The junta said negotiations would be a "dialogue with the murderers of our people."

In the pastoral letter, the bishops also called for the government to free those imprisoned for "ideological difference" and to end press censorship and violence against the Indian minority.

Reporting on the fight against the rebels, the Nicaraguan Defence Ministry said 120 rebels and 19 Sandinista soldiers were killed in combat during the past week.

Barricada said the government reinforced troops in the northern provinces of Matagalpa and Jinotega, where, according to the Defence Ministry, two of the bloodiest battles last week were fought.

In an account of one of the battles last week, the government said 300 rebels attacked a Miskito Indian village defended by 70 soldiers. One soldier and four civilians were killed in the attack on Sumubila,

464 kilometres northeast of the capital.

The Nicaraguan Democratic Force fights in the north, while the Revolutionary Democratic Alliance, known as ARDE, concentrates its effort in the south. U.S. intelligence sources in Washington say both groups receive CIA assistance.

In San Jose, Costa Rica, Alfonso Robelo, political director of ARDE, said "there could be CIA money that comes indirectly to ARDE. What does not arrive and what we will never accept is foreign orders."

Meanwhile, in Washington another heated debate over covert and direct military assistance to Central America awaited congressmen who returned to work yesterday from their 10-day Easter holiday.

Before recessing, angry lawmakers in the Senate and House of Representatives had overwhelming-

ly passed measures condemning secret CIA-supervised mining of Nicaraguan ports.

Although the bills carried no legal force, Reagan administration officials quietly passed word that the operation had stopped permanently.

Nevertheless, the timing of the mining has jeopardized congressional passage of \$21 million in covert aid urgently sought by the administration to help guerrillas opposing the Sandinist government.

Although the Senate had approved the aid, it remains unsettled in a House and Senate negotiating conference.

House Speaker Thomas O'Neill vowed that covert aid to Nicaraguan rebels would not pass Congress and extended his vacation for a week, ensuring no rapid action.

Clouding the debate over covert operations is a dispute over how much Congress has been told about them. The CIA is legally obliged to keep Congress informed of its activities. (AP, Reuters)

NEW STAMPS

MEMORIAL DAY — 1984 (S 10)

50th ANNIVERSARY OF THE NATIONAL LABOUR FEDERATION IN ERETZ ISRAEL (S 35)

STAND BY STAMPS (S 30; 50; 100)

DAY OF ISSUE: 26.4.84

The philatelic material will be obtainable on the day of issue at sales counters of the Philatelic Services and at post offices authorized to sell such material. Stamps with tabs and complete sheets will be on sale as far as stocks permit at Philatelic Service sales counters and postal agencies* until May 25, 1984.

Philatelic Services Sales Counters:
• Jerusalem • Tel Aviv • Haifa • Kiryat Shmona • Nahariya • Akko • Tiberias • Afula • Netanya • Rehovot • Ashdod • Beer Sheva • Eilat • Ben Gurion Airport

*Postal Agencies:
• Rishon Le-Zion — 116 Herzl St • Tel Aviv — Kikar Hamit (Alatim) • Ramat-Gan — 39 Abba Hillel St • Ashdod Port

Ministry of Communications Philatelic Services

TAKE YOUR HEALTH IN YOUR HANDS.



RAZ-ON — natural food supplement containing a concentrate of nutritional fibers and soya protein which help maintain balanced nutrition. One or two tablespoons of RAZ-ON before each meal will provide your body with concentrated energy and leave you feeling satiated for a long time.

Produced by Hayes - Ashdod Ltd. P.O.B. 2230 Ashdod.

Sports

Indians run rings round Rangers

NEW YORK (AP). — Tony Bonazard drove in a run and scored once, and Rick Sutcliffe scattered six hits over 7½ innings as the Cleveland Indians beat the Texas Rangers 3-1 on Monday.

Charlie Hough, 1-2, went all the way for the Rangers, who lost for only the second time in seven games, giving up eight hits. Ernie Camacho pitched 11-3 scoreless innings in relief of Sutcliffe, 3-1.

Elsewhere in the American League, Lloyd Moseby drove in four runs and George Bell hit a two-run homer to boost Toronto to an 8-5 victory over Seattle, ending the Blue Jays' three-game losing streak.

In the National League, Tim Lincecum hit a three-run homer in the sixth inning to erase a 4-3 deficit and give the Montreal Expos a 6-4 victory over the New York Mets, who have lost three in a row.

The Mets led 4-0 after three innings on a two-run single by Darryl Strawberry, but Montreal came back with three runs in the third to cut the lead to one.

Three AL games were rained out — Oakland at Milwaukee, Minnesota at Detroit and Kansas City at New York.

In AL night action, Marty Barrett drove in one run and scored the other as Boston Red Sox ended the California Angels' five-game losing streak with a 2-1 victory in a game halted in the sixth inning because of rain.

John Cruz cruised on Baltimore and chopped an RBI single through the infield in the 10th inning to give the Chicago White Sox a 7-6 victory over the Orioles.

In late NL action on the West Coast, Grip Mottus drove in three runs with a homer and a single and Andy Hawkins and Dave Derwicksch shared out a six-run win for the San Diego Padres over the San Francisco Giants 7-2.

Right-hander Bob Welch scattered eight hits and Mike Marshall blasted a solo home run to lead the Los Angeles Dodgers to a 2-1 victory over the Houston Astros.

Monday's games
American League
Cleveland 3, Texas 1; Toronto 3, Seattle 5; Oakland at Milwaukee, ppd.; Detroit at Detroit, ppd.; Boston 2, California 6, 6 innings; Kansas City at New York, ppd.; Chicago 7, Baltimore 6, 10 innings.

National League
Montreal 6, New York 4; Chicago 6, St. Louis 2; San Diego 8, San Francisco 2; Los Angeles 1, Houston 1; Only games scheduled.

According to form
Post Sports Staff

The finals of the Israel Tennis Association's six-nation international junior tennis tournament were played yesterday afternoon, at the Israel Tennis Centre in Jerusalem, despite intermittent heavy rainstorms and strong blustery winds.

After the surprises of earlier rounds, the finals all went according to the form books — Russell Myers (Haifa) over Zimmerman 6-4, 6-3 to take the boys' singles, and Sarit Shalev had an easy passage winning the girls' finals against Dorit Korit 6-4, 6-3. In the boys' doubles, Gilad Bloom and Roger Loquist had to work hard to overcome Sacks and Terblanche of South Africa 3-6, 6-2, 6-3.

The Israel Junior World Ranking Circuit series new member from Jerusalem to the Ben Yehon Country Club course, with play getting under way there at 1 p.m. today. The club is located near the Holo cemetery. With the foreign participation reinforced by three guests from France, the entry at Ben Yehon will comprise 22 young players from seven countries and eight 30 locals. Apart from France, the guests come from England, Italy, Luxembourg, South Africa, Sweden and West Germany. The event continues through April 30.

Soviets talk

LAUSANNE (Reuters). — Soviet sports chief Marat Gramov emerged from a meeting with the head of the International Olympic Movement yesterday, saying he had found mutual understanding on Moscow's complaints about U.S. preparations for the Los Angeles Games.

Gramov, head of the Soviet National Olympic Committee, declined to say whether Moscow would send a team to the Summer Games.

"It is too early for a decision," he told reporters after a 90-minute meeting with Juan Antonio Samaranch, President of the International Olympic Committee (IOC).

Budd ducks Decker

LOS ANGELES (Reuters). — South African-born Zola Budd has declined an invitation to an athletics meeting here next month in which she would have run against top U.S. distance runner Mary Decker, the organizers said yesterday. The race would have been over one mile.

The legends and stories of Sufed originate in the two worlds of mysticism and reality. The ancient mysticism remains an integral part of the character of modern Sufed. LEGENDS OF SUFED takes the reader through this picturesque town in the mountains, unearthing the wondrous tales for which Sufed is acclaimed.

Originally published by the Jewish H. Magnes Museum in Berkeley, Calif. Printed by HaAri Sufed Inc. Softcover, 95 pages, illustrated.

To Books, The Jerusalem Post, P.O.B. 81, Jerusalem 91000. Please send me LEGENDS OF SUFED. I enclose a cheque for \$17.98.

NAME _____

ADDRESS _____

CITY _____

CODE _____

Price valid until May 31, 1984.

THE JEWS OF HUNGARY

By PYNCHAS BRENER/Special to The Jerusalem Post



Synagogue in Budapest containing a museum of Judaica.

community is alive — not well, but alive. At the Sabbath morning services in the synagogues only the elderly are to be found. The notable exception is Scheiber's Friday night services and Oneg Shabbat, which attract several hundred mostly young people.

With the arrival of an orthodox rabbi from Israel, Aaron Hoffman, new life is being instilled into the community. *Shohatim* travel periodically to the interior and to other East European countries to supply ritually-slaughtered meat, because Hungary is apparently the centre of Jewish life for the entire region.

THE CHIEF RABBI of Hungary, László Salgo, is Orthodox in his personal life, but he is the spiritual leader of the Dohány Temple, which belongs to the neological tradition.

The Dohány Temple, probably the largest synagogue in the world, is located in the heart of what was the Jewish ghetto. When liberation came in 1945, they found 2,800 Jewish bodies in the street. They were immediately buried in the synagogue courtyard, which also bears a plaque in memory of Hanna Szenes. Eichmann had his office on the first floor of the building.

The neological character of the synagogue means that there is an organ (played by a non-Jewish woman whose father was the temple's organist for 40 years), and a mixed choir, and men and women sit together at the Sabbath services. Yet the order of the service seemed quite traditional. Only the rabbi's sermon was in Hungarian, with a smattering of key *psalms* from the portion of the week. All the prayers were recited in Hebrew, though it probably helped to know Hungarian in order to follow the heavily-accented reading of the Torah by the young Seminary graduate, Salgo's assistant.

Salgo is a member of parliament, having been elected to represent the district where his synagogue is located. He is a proud and careful Jew. But he understands the special situation of a Jew in a socialist state, and is extremely careful not to overstep the undefined boundaries that limit the expression of Jewish identity in Hungary. Basically it means a "yes" to tradition and Jewish social welfare and a "no" to the State of Israel.

SALGO ENDED his Shabbat sermon with the hope of the coming of the Messiah, but made no mention of Israel.

"Don't you get the inference?" asked the man sitting next to me, an Italian Jew and a lost soul, born in Hungary, but now a wanderer without roots, victim of the Nazis. "He cannot mention Israel," he said to me with a you-know-why shake of his head, "but his meaning is clear." Salgo will go to Israel for the first time in July together with a Hungarian delegation, to the opening of the Hungarian Jewish exhibition. This is being prepared by Ilona Benoschovsky, director of the Jewish Museum of Budapest, which is presently being restored. Ilona's late brother, Imre, was Salgo's predecessor.

ALTOGETHER, there are 19 synagogues and 12 rabbis, in Budapest, with Talmud Torah in many of the synagogues. Yet the total student population in these educational setups does not reach 200.

When I asked a local rabbi about his Talmud Torah, he proudly replied that of course he had one. He at first evaded my question about the number of students, but when I pressed him, he said seven. "But better don't write numbers," he added hastily.

He was also proud of the fact that he had recently induced one of his students, a 15-year-old boy, to be circumcised and to celebrate his Bar Mitzva. A *Kiddush Hashem* that also bore witness to the fact that the great majority of Jewish children go uncircumcised.

Budapest's Jewish hospital has 200 beds. There are two Jewish old age homes, one strictly kosher restaurant, a kosher bakery, a salami factory, and kosher wine and Slivovitz. One thousand kosher lunches are distributed daily to the poor and there are many day centres for the elderly.

Ilona Seifert is the secretary-general of the Central Board of Hungarian Jews and in the absence of the president was our host one morning. Well travelled, she always looks for fellow Jews, and quoted the biblical Joseph's words, "I seek my brethren." Numbers are not everything, she said.

"I cannot say how many we will be tomorrow, because of the lopsided demographic composition of Hungarian Jewry, the abundance of the elderly and childless. But our many institutions are the best guarantors of our survival and continuity."

Rabbi Brenner, the chief rabbi of Venezuela, is co-chairman of the World Jewish Congress Commission on Inter-religious Affairs.

with a future, but she does not yet seem adequately acquainted with oratorio style. Soprano Miriam Meltzer's numbers were less than effective. Tenor Gaby Sadeh tried hard and had a few good moments, but his voice still sounds rigid and lacks idiomatic quality which, particularly in the recitatives, seemed a serious shortcoming. Alto Hana Tzur seems a special case: her passion to appear on the concert stage as a soloist seems somehow to be sufficient to overcome her total ineptitude.

Segal's direction lacked character, firmness, vitality — but his greatest mistake was his total reliance on the choir.

For him, the oratorio was actually composed for choir only. Anything else was ignored.

Naturally the choir, despite its high quality, could not take over as sole executant. This perhaps would explain the absence of a real experience mentioned at the outset of this review.

What Segal actually gave us was mediocrity of very great length and boredom.

BENJAMIN BAR-AM

THE ISRAEL CHAMBER ORCHESTRA, Israel in Egypt — oratorio by Handel; Uri Segal conducting with the Harlow and Noh-Choruses (England) and soloists. (Tel Aviv, Beit HaKnesset, April 21).

"ISRAEL IN EGYPT" by Handel has almost become an inseparable part of our Pessah holiday, but a new production seems justified only if it can claim excellence and perfection. This one, regrettably, could not.

In a Handel oratorio there are three performing bodies — the chorus, which plays a dominant part, the orchestra and the soloists. Choral singing was sound, as one would expect from a British choir versed in oratorical traditions. Voices were well blended, dynamics were alive, and tone painting and colouristic effects emerged convincingly. However, there was nothing in the performance to make it a memorable experience.

With these positive, though slightly reserved, remarks about the choir, we regrettably have exhausted our whole reservoir of praises. When the orchestra played at full strength — together with the choir — the not too discriminating ear might have been satisfied.

Some sections, however, sounded awfully bad, false, poor in sound, amateurish. Mr. Segal seemed powerless to restrict what must be described as a total lack of discipline.

The most serious shortcoming of this performance, however, were the soloists who placed a large question mark over the whole enterprise.

The very small contribution by the two guest singers from Britain (baritone Robert Poulton and bass Robert Hayward) was adequate. Soprano Lily Tuna seems endowed

ADMIRABLE EFFORT

MUSIC REVIEWS

instrumental balance occasionally needed improvement, there was much to admire in the performances, and the potential for artistic growth was apparent.

With the exception of the opening Haydn, the ensemble offered a solidly 20th century programme. Tzvi Avni's Quintet, written 25 years ago, alternated the sprightly rhythmic thrust of its three odd-numbered movements with the unperturbed serenity of the two even ones. The colourful score allowed for brilliant individual contributions, and the remarkable teaming of the clarinet and French horn in the improvisatory fourth movement created a singularly poetic atmosphere.

Mason Jones' arrangement of *Le Tombeau de Couperin* by Ravel sounded most effective with its delicate colouring and cool precision. Six *Bagatelles* by Ligeti, already played here by the group some six weeks ago, lost none of their appeal on second hearing.

The *Sextour* by Poulenc, spiffy and melodious, was given a buoyant rendition by pianist Hanoch Greenfield and the quintet. The acoustic incompatibility between the husky sound of the inadequate piano and the bright winds was not the performers' fault.

ELI KAREV

JERUSALEM SYMPHONY ORCHESTRA, Noam Sheriff conducting; with Shmuel Rodensky and Rami Bar-Niv (Jerusalem Theatre, April 19). Youth Concert: "Prelude on the Road"; Gershwin's *Elm Street*; Dvorak's *Two Movements from Symphony No. 9*. Sponsored by the Adolph and Alfred Ebnor Foundation.

THE PROBLEM of how to present educational programmes for the young has never been more evident than on this occasion. With such an audience — musical parents with children of all ages, but mostly below ten, who presumably have little musical background — the presentation should be geared to the youngest. Arnie Vardi in previous concerts has given excellent examples of how to teach the rudiments of music in a playful but intelligent way and following up with brief examples. Noam Sheriff was far too sophisticated in his remarks, too demanding of his audience's knowledge and long-winded in his explanations. "If I were a Rothschild" (intended as a typical example of Broadway musical comedy) reflected all the experience of a life-long stage career. Rami Bar-Niv performed

NOT ONLY our basketball teams thrive on American players. The Sinfonietta of Beersheba has signed up several members in the U.S., and the results are not at all disappointing. Young and energetic, the musicians do not confine their activity to orchestra duties. Thus, four wind players have joined forces with their Israeli-born and trained colleague, Moshe Epstein, and are concertizing with some regularity throughout the country.

Their Tel Aviv recital showed the quintet to be a well-rehearsed group, performing with dedication, fine technical control, rhythmic precision and vitality. Even though the interpretive initiative of individual players was subdued, and

MY SAFARI JOURNAL

Dec. 1... I arrive at SAFARI. Mummy orders. I have my own menu, choice of main dish, soft drink for half price. (Mummy's pleased!) I get a "Follow the Dots" game so I won't be bored. I draw a chimp. I go to the Salad Bar — wow! 35 salads to choose from. While Mummy pays I get Mint Sweets. I join the Happy Birthday Club.

Dec. 19... It's my birthday. I'm 9. I have my party at SAFARI. I get a FREE meal, a T-SHIRT and ICE CREAM with a sparkler. We sing. I'm happy.

April 11... SAFARI again! I get FREE ice cream and a present from the TREASURE CHEST. April 25... Wed. night is FISH-NITE at SAFARI. We eat as much as we can — FREE ice cream again. Next Hannuka I will get another FREE meal. Geel SAFARI RESTAURANT keeps Mummy and me real happy.

SAFARI STEAKHOUSE, HERZLIYA PITUAH, TEL. 052-77404. ATARIM SQUARE, TEL AVIV, TEL. 03-283125.

פרחי סביון
SAVION FLOWER
SHOPPING CENTER
Kfar Sarayahu
TEL. 052-7639

An English country garden in Israel! Joanna and Lilian (international degree in floral arrangements) will bring beauty and colour to your homes. All occasions including Bar-Mitzvas, parties, embassy dinners will be enhanced by their flowers; a speciality — Victorian Posy Arrangements in various colours for hostesses. Green plants from Holland, dried and silk flowers are always an artistic addition to your decor, as are Italian Planters, baskets. Remember, flowers are love and harmony!

GUR DRIE

DRIED FLOWERS + CERAMIC PLANTERS

In us all is a desire to preserve the beauty and perfection of nature. GUR, Israel's leading distributor, exporter of treated "FLORA EXOTICA" satisfies this desire with dried and preserved flowers, leaves and tree-branches. His showroom exhibits "Chinese Lotus", "Indian Poppies", "South African Fungi" and plants indigenous to Israel, Eucalyptus, Papyrus, Gypsophila (to name a few). Modern chemical treatment renders the plants bug-free, long lasting (washable too). Enjoy a splash of rainbow colours or subdued earth tones in your home with floral arrangements, vegetable — fruits; gift wrapped for facile transportation. Bring in your own planter (brass — straw — porcelain) for Mr. Gur to personally advise and arrange to your taste, or select a planter from the store. CAPTURE THE MAGIC OF NATURE AT GUR 197 Ben Yehuda St. T.A. (corner Nordau). Tel. 03-441562

THE STORAGE CENTER (M.A.) LTD.

15 EFAL ST.
KIRYAT ARIEH
PETAH-TIKVA 49511
TEL. 03-923 1638

THE PLACE WITH THE SPACE!

Moving house? Overstocked? New in Israel? Leaving the country? Why use your own premises for storage? Come and see The Storage Center (M.A.) Ltd., the place with the space. Whether you have an old refrigerator or 50 tons of industrial carpeting, there is a storage unit for you. Whether you store for a year or a week, there is a rental option for you.

The Storage Center (M.A.) Ltd. is Accessible: Centrally located for the Tel Aviv/Gush Dan region. Gives you access to your goods at all times. Has extensive underground parking bays, for all-weather loading and unloading. Self-Contained: You store your goods in your own storage unit, secured with your own key. Secure: The Storage Center (M.A.) Ltd. is patrolled 24 hours a day. Protected by ultra-modern security equipment. All storage units double-locked: you hold one key, the Storage Center the other. All clients screened and identified before being admitted. Tel. 03-9231636

ELI KAREV

מכירה מיוחדת

Buy-line

TEL AVIV AREA ★ GUIDE TO SHOPPING, RESTAURANTS AND SERVICES



Precision Optical
N.Y. LICENSED OPTICIAN
Simon Greenstein offers:
American-standard work and service.
Modern examining and laboratory equipment.
All work done on premises.
★ EYEGLASSES — 24 hr. service in most cases.
★ CONTACT LENSES
★ EYE EXAMINATIONS
SPECIAL OFFER
To Jerusalem Post readers:
20% discount on complete pair of eyeglasses.
20% Discount on all Sunglasses.
15% Discount on Contact Lenses.
15% Discount on Contact Lens Solutions.
Valid until April 30, 1984 with this ad.
PRECISION OPTICAL, 182, Ibn Gabirol (corner Pinkas) T.A.
Tel. 03-451357



Stagecoach
When you enter the STAGECOACH — the WILD WEST and the best of Modern America await you. Here is THE saloon complete with brass, wood and leather. Sit astride polished wooden tables with the IN people of Tel Aviv, swing back an icy draught beer, relax to LIVE Country/Western music. Feast on Chilli Con Carne, Chicken in the basket, stuffed Idaho potatoes AND select from their FREE salad bar (lunchtime only). A traveller relishes his meat and the STAGECOACH meets your appetite with their Prime Rib, Striploin Steaks and 100% Pure Beef Hamburgers. Dip fresh bread into thick Bean Soup, nosh on Eggs n' Sausages. Getting hungry? STAGECOACH is for atmosphere, plentiful fresh food (no cover charge) drinks and music. No wonder they were voted Outstanding Tourist Enterprise 1984!
STAGECOACH
218 Hayarkon St.
(opp. Hilton). Tel. 03-241703.
Hours: Mon. — Sat. 12 noon-2 a.m.; Sun. 7 p.m.-2 a.m. Live music Mon. — Fri. 6 p.m.-9 p.m.; Sat. lunch 1-4 p.m.

החתן

Antique Warehouse as in London

Do you love to discover Antique bargains? I do! At the WAREHOUSE you will find period pieces in Oak, Mahogany, Walnut imported from U.K. and Scandinavia. Tables (all types), cabinets, unusual chairs, crystal mirrors, chandeliers, lamps are stored alongside china, bedroom accessories and embroidered cloths. Metal collectors (brass-pewter) will be delighted. Restoration and Transport Incl. — Trade in accepted. At the WAREHOUSE there is the authentic atmosphere and owner, Coats, will share his knowledge of antiques with you. Herzliya, Industrial Area, 5 Maskit St., Beit Merkazim — 1st Floor. Tel. 052-558542, 558421.

MIDWEEK WEEKEND 3 NIGHTS FROM \$79 IN EILAT INCL. ONE-WAY FLIGHT + AVIS CAR

ARKIA has planned this super special deal (for Israelis only). EILAT with its sea-sports, sun and relaxing atmosphere is awaiting you. MAY/JUNE (only). Fly Tel Aviv/Jerusalem; collect your AVIS CLASS A CAR for 48 hours (not incl. insurance/mileage) choose your hotel with B/B. SUN-THUR. (not on Hagim). Eilat Hotel \$79, Coral Sea Hotel \$89, Red Rock Hotel \$99. Special price for children. Extras: Return Flight \$45 (child \$28.50). Yacht trip \$12.50. Information: Arkia, Tel Aviv, 03-413223. Haifa, 04-643371. Jerusalem, 02-225888.

75,000

75,000 pairs of eyes are reading these words throughout Israel. 71% of all the above readers don't read any other Israeli daily paper — so The Jerusalem Post is their only source of information. Doctors, lawyers, engineers, accountants, diplomats, new immigrants — the average buying power of these readers is much higher than that of any other daily newspaper. This column contains information and a guide to businesses, retail stores, restaurants and entertainment in the TEL AVIV area. For the advertiser, the column offers the opportunity to meet the consumer and display his/her service. So, advertisers and readers — meet together every Wednesday in the BUYLINE for the latest WHAT'S WHAT in TEL AVIV.

Phone The Jerusalem Post, Tel Aviv, 03-294222, or 03-412779.

בית חובבי HOBBY HOUSE



Calling all Animal Lovers! HOBBY HOUSE takes care of all your pets' needs. (My Siamese cats are very grateful!) HOBBY HOUSE is the main importer/distributor in Israel of everything connected with house pets — Dogs, Cats, Birds, Fish, Rabbits, etc. Their frozen turkey/goose meat is minced or cubed; Truvs offers chicken wings/back and all the meat is checked by Municipality vets. They carry your pet's favourite brand of dried or canned food at wholesale prices. Toilet requisites, rabbit homes, aquarium equipment come in all types/sizes. Top service, Advice and Low Prices, is the slogan of THE HOBBY HOUSE, home of pets' needs. 4 Meginat Hayahudim, Herzliya, (Acadia Junction). Tel. 052-558838. 20 Sokolow, Herzliya, 20 Sderot Binyamin, Netanya, 254 Ben Yehuda, Tel Aviv. Eggged Bus Station, Beersheva.

החיה

STAINS SPOTS AND SPRING

What do these have in common? A great deal according to LILI DRYCLEANERS, masters of stain removal from all fabrics. (Best Business Award 1981-1984) as we packing away winter clothes — but STOP — remember stains are harder to remove AFTER clothes have been stored. Each stain or spot requires special attention and at LILI's every garment is individually checked and treated. Since water limits the life of materials, special solvents are used to enhance their quality and life span. LILI also cleans Leather-Suede — their speciality is one day service. (For an extra charge you can have it express), so remember LILI DRY CLEANING, 283 Dizengoff, Tel. 03-445629, 12 Sderot Masaryk (Dekel Cinema) Shikun Bavli, 33 Ramon St., Monosson.

החיה FORTUNE COOKIE

ISRAEL'S ONLY ASIAN GOURMET CENTER
FOR THE DO-IT-YOURSELF COOK: Fresh bean curd, snow peas, bean sprouts, ginger, spices, sauces, Chinese cleavers, WOKS, steamers, and a full line of frozen meats and Chinese duck. Be sure to pick up Joyce's latest FORTUNE COOKIE NEWSLETTER, with recipes, instructions and Chinese fun tid-bits. THE DELICATESSEN CORNER offers: DIM SUM, ribs, salads, sweet and sour dishes, Japanese delicacies and Chinese VEGETARIAN specialties. Tel. 287822 Open 8 days — 10 to 10 Sun. to 8 Fri. to 4, 54 Ibn Gvirol.

U. Taval	33%	1%
Ammonia	8%	9%
DB Ord.	34	38
DB Pfd.	5%	6
Interpharm		
Novar Indus	15%	+ %
Orbitex	16%	+ %
Paro-Vit	2%	2%
Seva	2%	2%

Ari Rath
Editor and
Managing Director

**THE JERUSALEM
POST**

Erwin Frenkel
Editor

Founded in 1932 by GERSHON AGRON, who was Editor until 1955. Editor 1955-1974 TED LURIE. Editor 1974-1975 LEA BEN DOR. EDITORIAL OFFICES AND ADMINISTRATION The Jerusalem Post Building, Romemta, Jerusalem P.O. Box 81 (91000) Telephone 528181 Telex 26121. TEL AVIV 11 Rehov Carlebach, P.O. Box 20126 (61201) Telephone 294222. HAIFA 16 Rehov Nordau, Hadar Hacarmel, P.O. Box 4810 (31047) Telephone 645444. Published daily, except Saturday, in Jerusalem, Israel by The Palestine Post Ltd. Printed by The Jerusalem Post Press in Jerusalem. Registered at the G.P.O. Copyright of all material reserved. reproduction permitted only by arrangement.

Nissan 23, 5744 • Rajab 23, 1404

Watching Damascus

BOTH Prime Minister Yitzhak Shamir and Defence Minister Moshe Arens have gone out of their way in the past two days to reassure whoever might be interested that Israel has no intention of initiating hostilities with Syria.

Both denied that Israel was preparing forces for an imminent attack on Syria, as claimed earlier this week by Syrian Defence Minister Mustafa Tlas. And Prime Minister Shamir even went so far as to stress his own assessment that war with Syria, at the initiative of either side, is unlikely for the foreseeable future.

Such reassurances are to be welcomed, as they contribute towards de-escalating a potentially dangerous war of nerves with Syria.

But such a policy of deliberate self-restraint cannot remain one sided indefinitely. The continuing sabre-rattling by Damascus, supported to a certain degree by its Soviet super-power sponsor, remains a constant irritant.

This would matter rather less were the Israel-Syrian line of confrontation restricted to the Golan Heights, where a long-standing and scrupulously observed separation of forces agreement between the two countries has created a sense of stability unlikely to be very much affected by such rhetoric.

But with Syrian and Israeli troops, in quite considerable strength, eyeball-to-eyeball in Lebanon's eastern Bekaa, the bellicose statements coming out of Damascus can only add to the sense of nervousness the close proximity of these troops has already created. This heightens the possibility of an accidental or uncontrolled outbreak of hostilities.

Defence Minister Arens suggested on Monday that a separation of forces agreement with Syria in the Bekaa would be a good way of reducing the likelihood of such an eventuality. But he has yet to receive anything like a favourable response to this constructive suggestion from Damascus.

In the absence of such a response, Syria's continued insistence on engaging in a one-sided war of nerves with Israel can only be described as extremely hazardous and requires keen alertness on Israel's part.

Out of the mouths of babes

THE DEPUTY FINANCE MINISTER, Haim Kaufman, has been made the target of ridicule for suggesting, in a radio interview, establishment of a new ministry for taxes. Since in normal states taxes are precisely what finance ministries deal with, it was rather a bizarre suggestion coming from a deputy minister of finance.

Yet even comedy, and even unintended comedy, as in this case, can have its serious side. And what is serious is not what Kaufman proposed, but the problem he unwittingly exposed: namely that the government's income from tax revenues has declined so drastically, forcing it to print so much more money, jacking up inflation so much more to the degree that the country is in a hopeless spin dive. Only the false "prosperity" of elections and the reluctance of the government and the opposition parties to reveal the full depth of Israel's economic crisis is keeping the wool over the public's eyes.

The government cannot tell the truth for fear of damaging its electoral prospects — for it would have to accept full responsibility for the disaster of the Likud's own making. The opposition parties are pulling their punches for fear of being asked for their solutions. Those solutions can only mean sweat and tears, and that too is not considered an expedient message at election time.

Meanwhile the government prints more money, gets less tax income, forcing it to print more money which means less tax income.

Kaufman certainly didn't intend it, but his ridiculous proposal should not become a focus for ridicule. Rather it should be deployed as a wedge to break the conspiracy of silence by government and opposition.

BENVENISTI

(Continued from Page One)

said, was for Israel to "painfully re-evaluate" its policies by physically disengaging itself from the West Bank. Only this, he said, might create the necessary conditions for some sort of solution.

"Theoretically," he said, "the process (of annexation) might be reversible," but a realistic estimate of the forces at work for annexation as against those that oppose it invites the conclusion that for the foreseeable future all of Palestine will be ruled by an Israeli government, that the Israeli-Palestinian conflict has therefore become an internal, ethnic conflict, and that Israel is now a dual society.

He warned of grave dangers for Israel. "Misunderstanding the true significance of the situation could allow the development of a regime ominously similar to that of South Africa," he said.

"The political realities of Palestine in the 1980's are reminiscent of what was called 'Herrenvolk democracy.' In such a system, the minority (sometimes even the majority) is disenfranchised and deprived of basic civil rights. In contrast, the ruling group enjoys all the attributes of democracy."

Under Israel, he said, the Palestinians of the West Bank have obtained "personal prosperity" but "communal stagnation."

LIBERAL

(Continued from Page One)

headed by a man of no less stature than that of the leader of Herut. With all due modesty, I think I am that man.

Even Liberal pundits yesterday would not hazard a guess as to the winner, but said that the main battle is between Mada'ia and Nissim. They consider Sadov as a possible spoiler for the other candidates, but all admit that surprises are always possible.

After the leader is chosen, the 240-member central committee will reconvene to choose, by secret ballot, the next 17 members on the list. These would then be worked in with the Herut and La'am candidates into the final Likud Knesset list. The first 18 slots (the leaders plus the next 17) are considered safe slots. The race here is unpredictable, since every second central committee member is also a candidate for the Liberal Knesset list.

All 17 Liberals in the Knesset today, with the exception of Yitzhak Berman, are in the race for re-election. Berman will not be running on any slate, after Shinui turned down his bid for second slot on its list.

Also in the running are three former MKs: Yedidya Be'eri, Gustav Badian and Moshe Meron. Five women are in the race as are three Arab party members, and two ministry directors-general — Yehoshua Forer (Trade and Industry) and Uriel Lin (Energy).

Meanwhile, the Liberal workers faction decided provisionally that it will not quit the party. The faction is miffed at not being awarded two reserved slots in the lists, as it had been promised. But at a meeting with presidium members yesterday it was promised that all faction members would be instructed to vote for the faction's candidates, to make sure that two of them will thus win the coveted safe slots.

ELIMINATING THE DISTORTIONS

By MACABEE DEAN

EVERY DISTORTION by its very nature, gives birth to another distortion. And Israel is rife with distortions.

Perhaps one of the most destructive is the prevailing belief that the country's economic problems can be solved by finding the proper "formula." In other words, the solution is to find a magic way to juggle money between one account and another, to raise, or lower taxes, to better link wages to the index, or to lower or raise the amount a person may keep in foreign currency, and to introduce, newer and more tempting savings schemes.

But the real problem, I believe, is not one of "book-keeping," but the simple fact that all too many people work in the "services," most of them servicing other services, only a few servicing the productive sector. And those who do work in this small productive sector have a far smaller output than their counterparts in most industrialized Western countries (and Japan).

This low productivity raises the price of Israeli goods and makes them barely competitive abroad — a problem solved by "juggling" funds to give them hidden financial incentives.

So far, the question of industrial productivity and low output has been discussed at length by everybody from the most learned professors down to the lowest-ranking politicians (both classes make an easy living in the "services"); but almost nothing has been done to change the situation. It is apparently a lost cause — despite huge quantities of good intentions — and will remain so in the foreseeable future.

But if output were increased by about 10 per cent, a goodly part of Israel's economic problems would

be on the way to solution. And output is low because the marginal tax — 50 to 60 per cent — paid by a huge segment of the breadwinners is an incentive not to work hard.

And the income tax is so high because an enormous part of the economy is "underground" and does not pay taxes. The Histadrut claims that this subterranean economy constitutes about 30 per cent of the GNP, or about \$6 billion a year.

ALTHOUGH NO ONE has seriously disputed this figure of 30 per cent, let us be cautious and assume that the "underground" economy amounts to only about 25 per cent. That means that every fourth person in Israel is not paying full income taxes.

Thus, we can divide Israelis into two main categories: The majority (most of whom have taxes deducted at source) who are more or less honest in paying taxes, and in so doing "subsidize" the second group, which manages not to pay taxes at all. Of course, a small section of the "professional tax dodgers" will never pay taxes, for they are engaged in such ancient professions as prostitution and thievery, or in fairly new ones like pushing drugs.

This leads us to the conclusion that there is one distortion which can be greatly reduced — even if not solved completely — by "juggling" figures.

The first thing the authorities should do is to "milk" tax dodgers by increasing the price of all those things over which the government has almost absolute control. But the government's practice is to do the exact opposite — to subsidize those things over which it has control as a method of slowing down the inflationary spiral.

For example, the price of bread, oil, margarine, electricity, water, etc., are heavily subsidized — and all are used by the tax dodgers.

Where do these subsidies come from? Part, of course comes from "unearned" funds flowing into Israel as a result of fund-raising, philanthropy, grants, the sale of development bonds, etc. But a huge part of the subsidies comes from income taxes.

If, for example, the price of bread were raised to its real value, and at the same time income tax payments were lowered, the honest tax-payer would have the same amount to pay for bread. But the tax dodger would have to dig a bit deeper into his pocket; he will not benefit from income tax reductions.

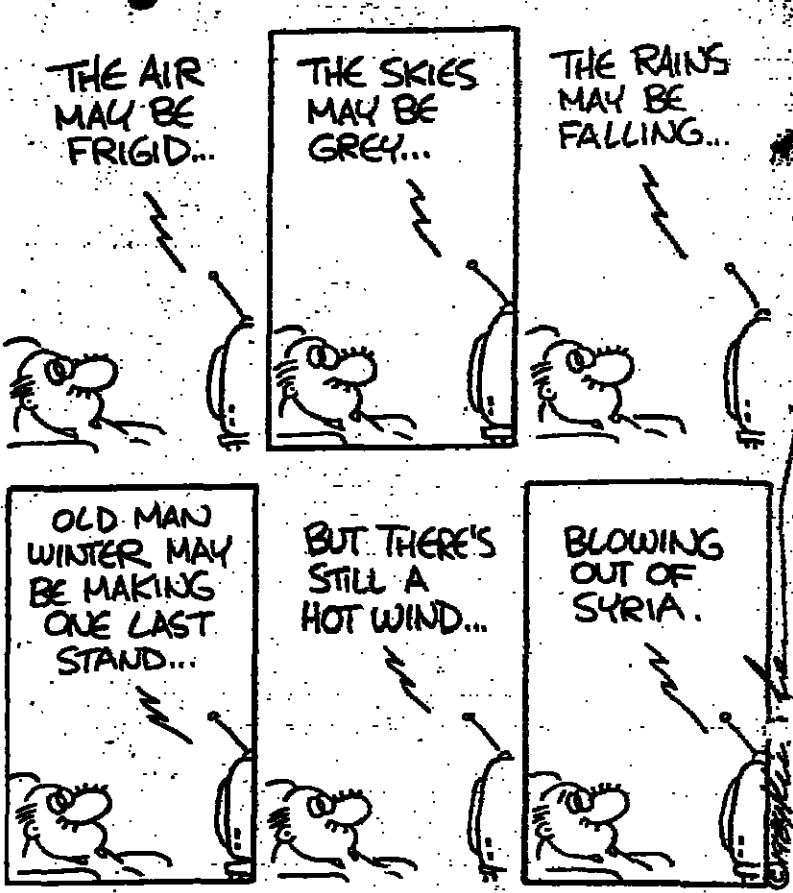
Of course, social welfare cases and pensioners would have to be compensated, but the overall "internal balance of payments" should leave the government in a better financial position, since the tax dodgers certainly outnumber the social welfare cases and pensioners, and their payments would more than compensate the government for its outlay.

And those welfare recipients who avoid declaring their "other income" (to avoid losing welfare help) could be much easier unearthed than the tax dodgers.

THE OUTCOME would be that the honest tax-payer would regard hard work in a new light. The more they produce, the more they would have. And this should lead to increased productivity.

This, of course, is "real" wealth. Exports should increase, foreign currency income should rise, and the country's balance of payments should improve.

Dry Bones



The shortcoming of all this is that the inflationary spiral would increase. But not as much as might be supposed, for there would be less money in circulation. The unsubsidized tax-dodgers will take care of that.

Moreover, much more money can be taken out of circulation — without affecting the cost-of-living index and inflation — by the simple expedient of collecting money from those items which are not in the index.

If stiff fines were imposed on jaywalkers, illegal parking, speeding, tailgating, etc., the government would have an enormous income which would not be offset by cost-of-living allowances. (As far as we know, traffic fines are not included in the cost-of-living basket.)

Moreover, many persons would also use their private cars less; less

gas would have to be imported. And if householders have to pay the real cost of electricity and water, they would also use less of these items, leading to another drop in the need to import fuel.

And fines should be relentlessly imposed on a variety of other items not in the index, such as using the streets and sidewalks and open fields as garbage dumps. The end result might be a cleaner Israel.

In the final analysis, the richness of a country depends not on how fast it prints money, and how clever it juggles its accounts, but how fast it produces food, clothing, machinery, products, homes and so on.

Eliminating distortions would bring some sense of perspective back into our economic life.

The writer is a member of The Jerusalem Post editorial staff.

Another step backwards

By JOSEPH MORGENSTERN

other in Jerusalem. It is manned by a staff of 20 brokers and administrative personnel. Its equipment is on a par with any Shearson office anywhere in the world and it executes orders within a matter of minutes.

HOWEVER, things have changed since the beginning of 1984, and positions have been reversed. Shearson is now negotiating with Clal with a view to the latter's acquiring its shares. Shearson wants out of Israel.

The change of outlook was initially influenced by the Bank of Israel's prohibiting Israelis from trading on the futures markets. That was late last summer. In January of this year, it was re-enforced by the prohibition on the trading by Israelis in any foreign securities with the exception of 10 Israeli shares quoted on foreign stock exchanges.

On the surface it appeared that the prohibition was aimed at preventing

possible losses in foreign currency resulting from poor investments. Robert Israel, general manager of the local Shearson Clal operation, disagrees.

"Over the past four years there has been no appreciable outflow of foreign currency as a result of Israelis' transacting on foreign exchanges and markets," says Israel. He points out that as it is, it is difficult for Israelis to raise capital overseas, and if a corporation like Shearson leaves the country, it can only have a negative impact on Israel's standing in the international financial community. "In the foreseeable future, there is no chance that any major financial institution will open its doors in Israel."

A side effect of the situation is that some of the Shearson Clal non-resident clients have closed their accounts. One of the brokers explains this phenomenon as part of an

overall lack of confidence.

Moreover, since January, which makes it appear to have been coincidental with the investment prohibitions, the shares of Israeli companies traded in the U.S. have seen price falls considerably in excess of general market conditions. It has been suggested that Americans are selling Israeli shares on the premise that they should not be expected to invest in them if Israelis themselves are not allowed to do so.

TAKING ALL the factors into consideration, it is difficult to fathom the thinking of the Treasury and the Bank of Israel. In the absence of clear-cut statistics, one cannot argue unequivocally whether over the years, security transactions have resulted in a net import or a net export of capital. However, these transactions are a drop in the bucket in terms of the overall financial posi-

tion of the country. "The trading ban could not have come about as a result of an outflow of capital," argues one broker. "After all, every Israeli is allowed to take \$2,000 out of the country on each trip overseas. None of this money is ever repatriated."

Instead of an outright ban on securities investments, the Treasury could have easily put a ceiling on the amount that each Israeli invests. In this manner, the exposure to possible foreign currency losses would be minimized and kept within established limits. Even in the most difficult of days, the Treasury allowed the investment in foreign bonds and shares by means of the Natad currency. Today, Israelis may no longer invest in Eurobonds.

Investment in these bonds can certainly not be considered risky. If anything, it produces foreign-currency income, due to the high rates of interest paid by Eurobond issuers. It is also a source of income for the Treasury, which taxes the interest at a rate of 25 per cent.

In the final analysis, it is also not all that relevant to the brokers in the Shearson Clal offices. If the local operation folds, they will have little trouble finding employment. They are all professionals.

However, what is intensely relevant is the effect that prohibitions of this kind have on the overall investment climate. Will future companies like Elscint electronics find it impossible to raise capital overseas? Will the companies which have already tapped U.S. capital markets for funds find that their sources have dried up? Will foreign financial institutions avoid an Israeli presence or stop doing business with Israel?

Shearson-American Express is nearly out of Israel. Before that move becomes irrevocable, a way should be found to reverse the process. Commonsense and national self-interest should be the considerations behind such a move.

The writer is a Tel Aviv-based financial consultant.

READERS' LETTERS

FUND-RAISING

To the Editor of The Jerusalem Post: Sir, — I recently had the honour and pleasure of addressing the 24th Annual Convention of the Association of Americans and Canadians in Israel. I didn't actually address them, as I had laryngitis at the time and therefore had my written speech presented by a friend. Unfortunately, misquotes abound in Charles Hoffman's report. I think my remarks make different points than Mr. Hoffman's article.

I have never "sold" slums; in fact I have never used the word "slums" in a speech. I have never linked fund-raising with either slums or exotica. Fund-raising is not based on problems, it is based on solutions. To see a slum does not raise money; to see a JDC programme, to see the development of Project Renewal in many neighbourhoods, to see the absorption process of new or recent immigrants, to see pre-kindergartens and geriatric facilities and programmes — this is the motivation which leads to effective fund-raising. People want to participate in solutions, not problems; they want to be a part of something positive, not negative.

And people want to learn. They want to learn about immigration, about health care, about education, about how they can be a part of these programmes and how they can share these concerns with Israelis. They work for these programmes — and give money to them — in the United States, and in Western Europe, because they're concerned about sharing a quality of life with other Jews, not because they want to see slums.

I believe that Jews living in the United States are interested in meeting Jews living in other parts of the world. If the majority of home visits in Israel are with people from lands other than the United States, perhaps that reflects the make up of Israeli society. Perhaps it reflects a desire to learn of broader vistas beyond the environment with which the mission participants are

familiar. Perhaps in many cases, mission participants visit their home town friends who have made aliya and want, also, to meet with people who have a different background and with whom they can meet only with help through mission programming.

ALVIN H. GILENS
Director, Overseas Programmes,
UJA

New York.
Charles Hoffman comments: Mr. Gilens' remarks were read out haltingly from hand-written notes, so it is possible that a nuance or two got lost in transmission. But I am sure that he did link slums and "exotica" like Ethiopian Jews to fund-raising. Moreover, the gist of his remarks — that American immigrants are not "exotic" enough to warrant systematic attention by the UJA mission planners — was referred to several times in discussions later in the day.

BREAKFAST IN ISRAEL

To the Editor of The Jerusalem Post: Sir, — We have just spent two weeks in Israel. While we have no complaint about the Israeli hotels or their breakfasts per se, we were amazed by the complete absence of real orange or grapefruit juice. Instead we found orangeade and watered down apple juice.

If you consider that thousands of tourists from citrus importing countries like England, Germany, Scandinavia visit Israel annually, you will realize what a golden opportunity of promoting the product is being missed. Would it not help the industry if the visitors could report at home what high quality juice they had for breakfast?

Would the Brazilians serve their tourists ersatz coffee? Or the Bavarians — perish the thought — imitation beer?

HARRY AND LOTTE KLEIN
Evanston, Illinois.

THE CITADEL

To the Editor of The Jerusalem Post: Sir, — Your issue of April 13 carries an interesting and informative article on the Citadel and the archaeological work has been, and is still being, financed by donations from Keren Clore, a charitable trust established by the late Sir Charles Clore.

I wish to inform Mr. Rabinovich

and your readers that the cost of renovating the Citadel, founding the Museum and a major part of the archaeological work has been, and is still being, financed by donations from Keren Clore, a charitable trust established by the late Sir Charles Clore.

ELLIOT LEVINE
Secretary,
Keren Clore

PENFRIENDS

BETTIE WALKER (48), of 203 Verne, Tampa, Florida 33606, is a divorced practical nurse who would like to have Israeli penfriends.

LISA WENK (26), of Leibnizstr. 16, 8510 Furth 1/Bay., West Germany, is a secretary who would like to correspond with Israelis.

WHAT DO YOU KNOW ABOUT CORSA?

OPHEL
RELIABLY INTO THE FUTURE.

Head office: Tel Aviv, 65 Petah Tikva Road.
86 Petah Tikva Road, Tel. 03 261374
Jerusalem: 15 Shlomzion Hamelka St.
Tel. 02-234536, 231798
Haifa: 132, Jafa St. Tel. 04 520291; 5

LEO GOLDBERG LTD
The drive behind the success of Opel in Israel

RENT-A-CAR

FROM \$6 PER DAY

All cars new
Pick up and delivery free
TAMIR, Rent-a-Car
8 Kikar Ha'azma'ut,
Netanya.
Tel. 053-31831 (day)
053-25763 (night)